THE FINANCIAL POST

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The Nation's Business

Compulsory Service Now Immediate Need

Entry of Japan into the war against us and the United States calls for the immediate adoption of compulsory selective service in Canada. The treacherous attack of the Japs on the American base at Pearl Harbor changes the whole war situation.

Any previous reasonable doubts about the need for compulsory service has been shattered. Mr. King should act at once and without hesitation.

We are faced with the immediate danger of attack along our Pacific coast. We will need men, planes and ships to resist that attack. And we will need more men, more ships and more planes, to carry the war home to the Japanese Empire, to dispose of once and for all this intolerable menace to our rear.

The United States is now our full-fledged and active ally. In the common defense of North America, the American and Canadian fighting forces must act as a single unit. There is compulsory service in the United States, and has been, in fact, for 15 months, although that country has been nominally neutral. Canadian self respect demands that we put our country on the same footing.

True we have adopted a system of military conscription for defense in Canada. But that is not enough. Today international borders mean nothing to an invading force and in modern war in any case the best defense is an attack pushed home far beyond the frontiers of the home country. Successful war against Japan is going to tax the resources of Canada without the handicap of an obsolete Act which would prevent our forces giving full co-operation to our new and powerful Ally.

A year ago last March the Canadian people gave the King Government an overwhelming mandate for a full-out prosecution of the war. Very definitely Mr. King was told by the Canadian people to take any and all steps necessary for total war.

Before many months have passed we will need every man and woman trained and in position to do his or her utmost in the prosecution of the war. Some of these citizens will be needed in the armed forces, more in the war factories, and some will have to take over the routine but vital task of producing food. To get our man and woman power properly placed and producing at top efficiency, there is but one practical method—the immediate adoption of selective compulsory service.

* * *

STRAIGHTENING OUT CONTROL

From one end of the country to the other, businessmen are endeavoring to determine the full implications of the new price ceiling policy. They are prepared to give loyal support to this revolutionary experiment, firmly believing that the alternative—uncontrolled inflation—would be far more disastrous than the real loss they are suffering now in the present vast shake up to business. In scores of cases, ordinary trading has come to a standstill while an interpretation of the price ceiling is sought.

Under a rigid application of the new regulations, in many cases there would be as many price ceilings as wholesalers, plus retailers, multiplied by the number of goods handled. Each corner store, almost each customer would have his own maximum price at which goods could be bought.

The game would go on until those unfortunate wholesalers and retailers who, through some mischance, had not adjusted their prices immediately prior to the base period, had gone to the wall. Almost as many policemen would be required as customers if the policy was to be rigidly interpreted, rigidly carried out.

Theoretically, from the standpoint of stable business, it would have been much better to have adopted the price ceiling gradually, but most businessmen agree with the government that such a policy would not have been practical.

They also agree that any important exemptions in the price ceiling would prove fatal. Once a breach was established, Ottawa would be flooded with deputations seeking exemptions on their goods and soon the whole structure would topple.

If the new experiment were to have a fighting chance it had to be overall. It had to be rigid. It had to come without warning. But this has meant, as foreseen by the authorities and soon realized by business, hardships and losses.

Wisely the authorities are adopting an attitude of co-operation. Special administrators are meeting groups of businessmen and trade associations and are endeavoring to iron out details, eliminate inequalities and to temper the necessary regimentation with reason.

In this co-operation Chairman Gordon of the Wartime Prices and Trade Board and his superiors and subordinates are to be commended. Canadian business trusts that they will continue this good work and as speedily as possible. Success of the whole revolutionary experiment, as pointed out in this column a week ago, "must depend on firm decisions, quick redress and enlightened co-operation."

* * *

WARNS AGAINST COMPLACENCY

S. H. Logan did a good service when he drew attention to Canada's war programme in his presidential address at the annual meeting of the Canadian Bank of Commerce this week. Widespread understanding of the national war programme, asserted Mr. Logan, has been lacking. In reviewing our effort, Mr. Logan explained he had in mind not only the two-thirds of the bank's shareholders resident in Canada but the one-third who live elsewhere. Said Mr. Logan:

> "Independent observers have expressed astonishment at what we have accomplished so far, but we can and must do more. In the greater effort ahead many problems will confront us, but I am confident that we shall overcome them and a year hence will have reason for added pride in this country's further contribution to the cause in which it joined a little over two years ago."

In pointing out that Canada can and must do more, Mr. Logan gives timely warning against the complacency that too often rules when half a job is well done. Great as Canada's war production has been it must be still greater. The efforts of every individual and all our resources must be utilized if we are to attain victory. Past achievements must only be regarded as a jumping off point for further accomplishments.

In the last week Canada has declared war on four more countries including Japan with its hundred million people, its powerful navy and huge army. We have undertaken a huge new task and one that will tax our resources of man power to the utmost. Not until these new enemies as well as the chief foe in the west have been utterly routed will there be any occasion for resting on our oars.

Say Gas Rationing Hastened by Japs

From Our Own Correspondent

OTTAWA.—Rationing of gasoline may be introduced sooner than previously planned, as a result of the entry of Japan and United States into the World War.

Link between the expansion of the war and institution of rationing in this country would be the greater demand for gasoline by the United States armed forces (particularly the navy and air force), and the increased hazards to water transportation of crude oil.

100% Licensing Said Dropped

From Our Own Correspondent

OTTAWA.—The Wartime Prices and Trade Board has, it is understood, decided against a 100% general licensing policy, covering all businesses. Official announcement of such a policy is expected shortly. It is felt that the organization and mass of details which such a general order would necessitate make it impracticable under present conditions.

Burns Heads For Profit This Year

Indicate First Net Profit Since 1937; Perhaps Best Since 1929

Burns & Co. this year will break into the black for the first time since 1937, The Financial Post is informed. Against a net loss in 1940 of over $76,000 there appears to be a good chance of a net profit in 1941 of around $300,000. Such a figure would be the best profit since 1929 when net reached $489,454.

In the first ten months of this year Burns & Co. had a gross profit of around $1 million which compared with a little over $230,000 for the same period a year ago. Bond interest for the first ten months in 1940 was $282,000 but it is believed there has been a moderate reduction in this charge for the current year, indicating some redemption of the company's outstanding bonds. Depreciation provision has been doubled while income taxes for the first ten months are understood to be approximately four times the $18,000 figure reported for a year ago.

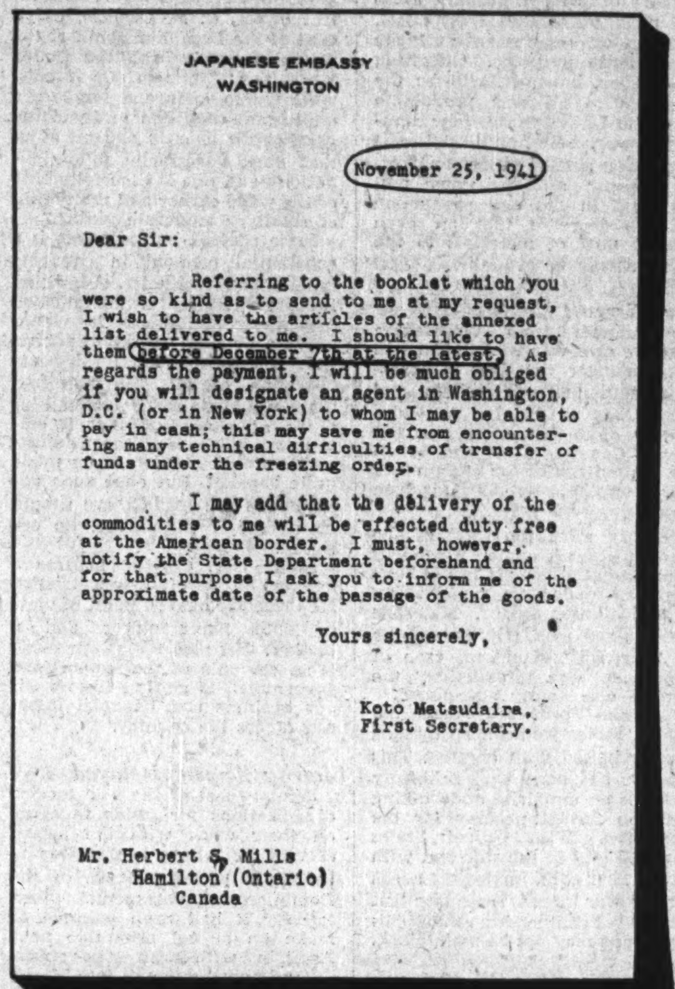
After all these charges there is indicated for the first ten months a net profit of well over $100,000 against a loss of some $340,000 for the same months of 1940.

Final Months Best

The final months are usually the best of the whole Burns year and 1941 promises to be no exception. Indication of what these months mean is afforded by the fact that while net loss for the first ten months of 1940 was $340,000, the pick-up in the final two months was sufficiently sharp to cut that loss at the year end to $76,000.

Burns is reaping considerable benefit from the rapid expansion of hog production in the Canadian West, from which business the company derives most of its profit. Canada this year is sending Britain 600 million pounds of bacon compared with 425 millions last year.

Acquisition of the Dumarts Ltd. organization in Kitchener by Burns this Spring is also understood to be working out well. This addition has broadened the Burns organization, diversifying its marketing interests from that of a purely Western company and thereby appreciably improving its competitive position.



JAPANESE EMBASSY
WASHINGTON

November 25, 1941

Dear Sir:

Referring to the booklet which you were so kind as to send to me at my request, I wish to have the articles of the annexed list delivered to me. I should like to have them before December 7th at the latest. As regards the payment, I will be much obliged if you will designate an agent in Washington, D.C. (or in New York) to whom I may be able to pay in cash; this may save me from encountering many technical difficulties of transfer of funds under the freezing order.

I may add that the delivery of the commodities to me will be effected duty free at the American border. I must, however, notify the State Department beforehand and for that purpose I ask you to inform me of the approximate date of the passage of the goods.

Yours sincerely,

Koto Matsudaira,
First Secretary.

Mr. Herbert S. Mills
Hamilton (Ontario)
Canada

Shows Jap Deadline Set Long in Advance

Here is a Canadian who has proof that the Jap attack was planned long in advance.

Herbert S. Mills, of Hamilton, continent-famous dealer in fine English china received this letter from the First Secretary of the Japanese Embassy in Washington, November 26.

Note the very specific instructions that Mr. Mills be certain to have the goods delivered by December 7 at the latest—the day of the Jap attack. Since that date was a Sunday and an unlikely day for deliveries, it is significant that this date was firmly fixed in Embassy minds a long time ahead.

The booklet referred to by the First Secretary is a Mills price list. The Japs will be carrying their English china back to Tokio with them, since they were obviously doing some last minute shopping.

President Roosevelt usually has his breakfast off Prairie Flower Wedgwood purchased by his late mother from the Mills firm. Mr. Mills has her cheque framed.

Empire War Committee Said Immediate Need

Immediate need of organizing an Empire war committee to formulate a plan for victory by proper co-ordination of the armed forces of the entire empire is urged by Lieut.-Col. George A. Drew in an article in the current issue of Maclean's Magazine. He says, in part:

"I think it is now abundantly clear that if we are to defeat Germany, we must destroy the German land forces on the European continent. The first step in bringing about the necessary reforms in the organization of our land forces and the closer co-ordination of their training and employment with the Navy and the Air Force is to create an Empire War Committee.

"This committee should be made up of civil and military representatives of Britain, the Dominions, and other parts of the Empire. It should meet continuously in London. It should be created at the earliest possible date. Its first task, calling for an early and bold decision, would be to prepare a plan for the organization of the man power and resources of the Empire for the destruction of the German Army. In other words, to design a pattern for victory.

"The functions of this committee should subsequently be expanded so that it can co-ordinate other phases of the common problems of the British Empire, and plan for the critical postwar period.

Canadian Initiative

"In Canada we have the space to train the force which would result from such a plan. If Canadians believe that this force should be trained in Canada then the proposal for the creation of an Empire War Committee to draft the necessary plan should be made in Canada. It is for Canadians to say whether this should be done."

Don't Ask Ottawa Is Warning

From Our Own Correspondent

OTTAWA.—The price ceiling machinery of the Wartime Prices and Trade Board is not being helped by the tendency of industrialists and businessmen to fire their questions at Ottawa, rather than taking advantage of the regional system now completed.

Under this system, regional directors have been appointed for the 13 geographical areas in Canada. The whole idea of this system was to relieve a bottleneck in the Ottawa offices of the Board. It is hoped that the regional administrators, who conferred in Ottawa last week-end, will cope with as many as possible of the local complications which will arise, passing only the situations involving matters of general policy back to Ottawa.

Due, in some instances to the fact regional offices have only recently been set up in some areas, and in other instances to failure of businessmen and manufacturers to take advantage of these regional offices, a mass of requests for specific rulings have flooded the Ottawa offices.

Unity of Democracies Seen Assuring Continued Aid

Jap Role of Diverting Aid From Britain Recognized — U. S. Knows Hitler Real Enemy — Increased Canadian Output Factor

By WILFRID SANDERS
Staff Writer, The Financial Post

OTTAWA.—Officially the United States has charged that Germany has shoved Japan into this war with the main intent of disrupting the flow of war supplies to Britain, Russia and China.

Since Canada is an important channel in the flow of supplies this policy is of great import to the Dominion.

Spokesmen for the Canadian government are unable to hazard a guess as to how serious the diversion of United States war production will be, as much depends on the course of military operations, the ability of the U. S. navy to keep Pacific sea lanes open, extent of destruction by the enemy, intensity of the conflict and so on. In the face of these uncertainties, any attempt to be dogmatic on the question is sheer guesswork.

Certain facts bearing on the situation are useful as giving some indication of what may be expected.

Considered of prime importance here is the indication that the United States war effort will not be misled into believing that the war with Japan can be isolated, even though there are some minorities who may so argue. Recent editorial in the New York Times is being quoted here as evidence of this realistic approach. "We will not forget," says this paper, "that Hitler, and not Tokyo, is the greatest threat to our security . . . . We can count on our government to recognize this fact. We can count on it to plan a strategy of war which takes account of the imperative necessity of maintaining an uninterrupted flow of strength to the main battlefront in Europe.

"If Hitler is smashed the situation in the Far East will take care of itself automatically. But if Hitler wins in Europe we shall be in deadly danger even if we have crushed Japan."

This point of view, which has an important bearing on the matter of continuing war supplies, is reflected not only in most editorial content in U. S. but in official statements from Washington.

A Nation Unified

Vital factor in the situation is believed to be the sense of real unity which appeared in United States thoughts almost as the first bombs dropped on Hawaii. Said one official whose department is partly concerned with obtaining supplies from United States: "It is quite conceivable that any potential diversion of supplies from Britain, Canada and their allies may be offset or nullified by the increased intensity of U. S. production."

Statements from labor leaders in that country, to the effect that all demands of labor faded into insignificance in the light of the present emergency are taken here as being more than a mere expression of patriotic platitudes. Terrific losses have been sustained on the American production front by strikes and other labor disturbances. If such losses can be plugged, they will, together with extra shifts and greater

(Continued on page 5, col. 4)

Bondholders Heavily Back Tram Plan

From Our Own Correspondent

MONTREAL.—With nearly three quarters of the first mortgage bonds represented in person or by proxy, at the meeting, the plan for reorganization of Montreal Tramways Co., put forward by the company with the approval of the Jellett committee, was approved by an overwhelming majority.

The actual vote on the plan resulted in $14,972,500 of bonds being voted in favor, with another $5,000 held in abeyance because of question as to validity. Only $563,500 of bonds were voted against the plan, with $3,000 more held back because of questionable status. Only $11.7 millions were needed to give the necessary three-quarter majority.

Because of the previous opposition to the plan expressed by the first mortgage bondholders committee, headed by C. O. Ruggles, it had been anticipated the meeting would be lively. Actually such was not the case. Several hours were taken up by the Ruggles group in outlining various features which they considered important enough to call for an amendment of the plan, and which had been largely set forth in previously published material.

Jellett Answers Back

R. P. Jellett, vice-president and general manager of the Royal Trust Co., and chairman of the first mortgage bondholders committee favoring the company plan, answered the allegations. He decided the line of attack on the plan, saying it was an attack against the security of the bonds. He mentioned there were restrictions in the by-laws concerning payment of dividends and that the new arrangement was designed to encourage the company to pay off the bonds.

Keep Rulings Flexible On Salary Pegs

From Our Own Correspondent

OTTAWA.—The order-in-council governing executive and other salaried officials leaves, as do so many of the recent order, great discretionary powers in the hands of the administrators and, directly, of employers.

For example, salesmen's commissions are not governed by the order unless, in the opinion of the National Revenue Department, it has been substituted for a salary in order to defeat the purposes of the order, or unless it has "been unreasonably increased since Nov. 6, 1941."

No attempt is being made by officials responsible for administering this order to determine in advance what an unreasonable increase in commission is. In general it is stated that a rise in commissions will be considered unreasonable if it is out of line with what other remuneration would be for similar responsibility or returns to the employer.

If an employer wishes to place a man now on commission on a straight salary, that salary should, unless the man is being given increased responsibilities, be in line with the average commissions earned by him.

Another question being asked concerns the employment of a man to do a job not previously done before. In such cases the standard will be the salary paid for similar services in corresponding circumstances elsewhere.

On the whole, interpretation of the new order will require reasonable judgment and is expected to be enforced in its spirit rather than in its detail.

Boost Newsprint Price $3 Ton From April '42

From Our Own Correspondent

MONTREAL. — After maintaining the price of newsprint unchanged for four years International Paper Co. has announced an advance in the price of standard newsprint from $50 to $53 a ton for the second quarter of 1942. The $50 price remains unchanged until the end of next March.

International Paper usually takes the lead in setting the price policy for the newsprint industry and it is expected other Canadian manufacturers will follow suit.

Reason For Advance

The reason for the price advance is attributed by International to advancing costs. After referring to the lack of change in price over the past four years, the company statement says: "The company believes this record should give assurance that the present price adjustment is equally conservative and made essential by today's conditions."

At this time the Canadian government has indicated that it will not take any action on the price increase, inasmuch as it applies to export business. It remains to be seen whether Leon Henderson, head of the Office of Price Administration in the United States, will raise any objection to the advance. No opposition is expected, however, as newsprint is the only international commodity which has not advanced in price since outbreak of the European war in 1939.

The increase of $3 a ton on newsprint sold in the United States will provide the Canadian industry with an additional $6.3 millions in U. S. funds, or $6,930,000 in Canadian funds, on 1942 business provided sales are approximately the same in volume as in 1941. This estimate, of course, is conditional on no further advance in price after the mid-year.

On the basis of $50 for the first quarter and $53 a ton for the last nine months U. S. dollar revenue on sales of Canadian newsprint next year should run over $141.3 millions. This would compare with $135 millions for the current year.

Translated into Canadian dollars the industry would receive on U. S. sales in 1942, over $155 millions, as against $148 millions this year.

Our Direct Stake in Far East

Canada's Holdings Are Fortunately Not Great

Canada has never had an important direct financial stake in the Far East, including Japan, China and other areas now involved in the latest battle area. There was formerly a substantial trade with the Orient, but this did not mean direct investment which might now be threatened.

The Canadian Pacific Railway Co., in pre-war days, was one of the big travel factors in the Pacific with its "Empress" ships. What has happened since the war started is not revealed. It was announced some months ago, however, that C.P.R. had closed all its offices in Japan and had withdrawn staffs.

Canadian National Railways maintained offices in Hong Kong and Singapore but had no more direct stake in these centres other than offices and the staff required to maintain them.

There are only a few cases of sale of securities in Canada involving operations in the new war zone. One was an issue of 6% bonds of **Philippine Long Distance Telephone Co.** which was offered in Canada in 1938.

This company is partly owned by Anglo-Canadian Telephone Co., the holding company which also controls British Columbia Telephone Co., and is in turn a subsidiary of Associated Telephone & Telegraph Co. Only a few of these bonds were sold in Canada, the great majority being held in the United States. Anglo-Canadian Telephone itself receives the larger share of its income from its holdings of B.C. Telephone shares.

A few of Canada's **life insurance companies** have at one time or another been active in selling insurance in Japan, parts of China, Hong Kong and Singapore and other places in that area.

Sun Life Assurance Co of Canada stopped selling and closed its offices in Japan and Shanghai some time ago. It will still have, of course, insurance in force in the Far East.

Manufacturers Life Insurance Co., which also maintained offices in various parts of the Far East at one time or another, stopped selling in Japan about 10 years ago. It still has a small amount of insurance in force in Japan but it is understood that its liabilities in Japan are considerably greater than its assets there. Japan was the only country involved in field which required maintenance of a deposit to secure policies sold to its nationals and this requirement was only 60% of liabilities. These deposits were in the form of Japanese government bonds.

In Shanghai and Hong Kong, the Manufacturers Life had small staffs at the outbreak of the Jap war but its only assets there were current bank accounts needed in the running of the offices.

The Crown Life and the Confederation Life also did a small amount of business in the Orient, but none of these companies has been active in that area recently.

No Canadian bank had branches in the Orient, their foreign branches being confined largely to the United States, South and Central America.

Ford Motor Co. of Canada has subsidiaries in Malaya and India. Assembly plants are operated at Calcutta, Bombay, Madras and Colombo. At the end of 1940, the parent company reported an investment of $1.4 million in its subsidiary in India and $418,848 in the Singapore subsidiary.

No Fears For Plane Program

Says Canada Has Moral Guarantees

Although our airplane industry is dependent upon United States sources for vital components and materials, manufacturers and government officials in this country do not anticipate that these will be choked off by the war with Japan.

"There is an increasing disposition in Washington to view the situation from the standpoint of hemispheric rather than purely national defense," said a government official in Ottawa.

It was indicated that the closest liaison has been established between the Canadian Aircraft Production Branch and the U. S. authorities on the matter of scheduling the apportioning of materials for aircraft production. The Canadian industry, as a matter of fact, has scheduling officers stationed in the United States.

While it is recognized that a desperate emergency would countermand any previous commitments if necessary, Canada has received "moral guarantees" of equal consideration with the American industry in the matter of essential supplies.

Independence Sought

Handicapped by the necessity of starting almost from scratch, the Canadian aircraft industry has been developed with the objective of making it as free as possible from outside sources of supply. Thus, in the summer of 1940, a start was made in the manufacture of aircraft instruments and today a considerable range of fuel gauges, pressure gauges, wheel and flap position indicators, etc., are being produced in this country. There is the important exception of flight instruments which still have to come from the United States or England.

Canada is manufacturing propellers and even last July production of wooden airscrews for such types as the elementary trainers and the Anson were in production at the rate of over 100 a month. By next summer, Canada is expected to be turning out metal propellers and hubs at the rate of 200 a month, as well as synthetic hardwood propellers of the type widely used in England.

Dependent for Engines

The major U. S. component on which our aircraft industry depends is, of course, the aircraft engine. There has been a steady swing from English to American engines to power our aircraft and now the Kinner, the Jacobs, the Wright and the Pratt & Whitney power plants coming across the border are vital.

If for any reason, our supply of engines from the U. S. were to be restricted seriously or cut off completely, our plight will not be because of failure to anticipate such an eventuality. On the contrary, directors of Canada's aircraft policy pondered for many months over the proposal of engine manufacture in Canada.

The project finally was discarded for these reasons:

Cost. Machine tooling for a large aircraft engine programme would run to $15 millions.

Time. It would take at least two years to get into production and this would only be on the assumption that the necessary machine tools and skilled personnel could be obtained from the U. S.

U. S. Promises. Speaking at the C.M.A. convention last June, Ralph Bell, Director-General of Aircraft Production, said:

"We were promised by Mr. Knudsen in Washington, that if we would forego our request for sufficient machine tools to get into the aircraft engine business he would see that we got from the United States all the aircraft engines we require . . ."

at EATON'S

☆

CHRISTMAS
ON THE HOME FRONT

With so much interest directed towards the war, its appeals and demands—let us not forget our obligations to a definite need at home. Hundreds of families face a bleak, cheerless Christmas, perhaps without the kind of food that makes Christmas what it is. Names of such needy families investigated and vouched for can be secured from

NEIGHBOURHOOD WORKERS
Christmas Exchange
— Ki. 3126 —

Sample Hampers as recommended by Neighbourhood Workers—

Hamper No. 109 $5.50
6½ lb. Roast of Beef or
5 lb. Fowl
1 lb. Creamery Butter
2 tins Peas
1 tin Tomatoes
1 peck Potatoes
1 doz. Oranges
2 tins Peaches
½ lb. Coffee
1 jar Jam with pectin (32 oz.)
2 lbs. Christmas Pudding
1 lb. Raisins (seedless)
1 lb. Christmas Candy (Mixed)
1 lb. Bacon (Rind on)
1 pkg. Apples

Hamper No. 110 $7.00
10 lbs. Roasting Beef
1 lb. Butter
2 tins Peas
2 tins Tomatoes
1 peck Potatoes
1½ doz. Oranges
1 pkg. Apples
2 tins Peaches
½ lb. Coffee
1 jar Jam with pectin (32 oz.)
3 lbs. Christmas Pudding
1 lb. Raisins (Seedless)
1 lb. Christmas Candy (Mixed)
1 lb. Bacon (rind on)

Christmas
GIFT BOXES of FOOD

Whether it be a single food hamper or fifty, whether it be one you plan to give personally or a larger order for an organization, EATON'S will be of great assistance in taking care of all the details.

A whole booklet of suggestions is yours for the asking, which includes Christmas hampers for practically every size family, fruit baskets, and fancy exotic food assortments for that hard-to-please friend or relative.

All orders for hampers are attractively packed in new cartons — enclosure cards supplied and with city-wide Toronto and Suburban delivery service, you are assured of dependable delivery when and as required.

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The War And Business

U. S. War Supplies

While the outbreak of war between United States and Japan is expected to have some immediate adverse effect on the flow of American war equipment and materials to Canada, Great Britain and Russia, in the long run the result is seen favorable. Undoubtedly there will be pressure on Washington, especially from the more vulnerable West Coast, to keep war equipment at home for defense purposes. Offsetting this factor, however, will be the stimulus to all war production with the United States now actually at war. Labor and isolationist opposition should disappear overnight, war appropriations will soar and in the end production will so increase that an even greater flow of materials to the Allies should be available.

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Our Aircraft Engines

Assurances from Washington that the new war with Japan will not endanger the flow of lease-lend equipment to Britain and Russia has allayed but not completely dissipated anxiety at Ottawa. Canada is dependent on the United States for certain key war supplies, notably airplane engines.

Shortly after the start of the war an aircraft engine plant was planned in Canada. It would have been an expensive undertaking both in time, money, materials and trained men. On the advice of "Big Bill" Knudsen, czar of American war production, the scheme was finally abandoned.

Knudsen promised that the United States would keep Canada fully supplied with engines. This promise has been kept faithfully but it is an unofficial undertaking with no formal priority for the Dominion. With United States now actually in the war and with aircraft her chief immediate needs for this war there is some fear that the flow of engines from the States to Canada may not be maintained.

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Prepare For War End?

Churchill's call for a vast new quota of men for the armies of Great Britain and compulsory service for women might be interpreted as preparation for the finish of the war late next fall or early in 1943.

It will take from eight months to a year to prepare these new drafts for actual fighting. Britain, it is believed has ample trained men now for home defense, therefore any additional troops mean offensive work, and probably on the European continent next door.

Of course these older men now being called to the colors will probably be retained for home defense or occupational duties abroad, but the younger soldiers they replace will then automatically become available for offense.

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To Avoid Inflation

Urging co-operation with the government in its effort to control prices, C. H. Carlisle, president of the Dominion Bank at the annual meeting in Toronto, this week, said: "It is to our interest willingly to endure a temporary unpleasant condition to avoid the catastrophe to each and all of us that must necessarily follow inflation—and this is especially true of the wage earner and the person of small or moderate means."

Price control, he indicated, is a substantial element in checking inflationary tendencies. Admitting it is necessarily a complicated operation, he hoped it would prove a possible operation adding that it required the unified co-operation of all. He admitted there would be many inequalities to be adjusted, and that if efficiently administered, these adjustments would require to be made quite rapidly. But once such adjustments are made there should be no major difficulties, he believed.

Before Mr. Carlisle became a banker he was an industrialist. He therefore has the point of view of both manufacturer and a banker. His plea for co-operation is an example of the support the government is getting from various business and financial interests across the country.

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Charity Appeal Delayed

Joint appeal of the war service organizations for funds to carry on their work with the armed services, will have to give way to the more pressing needs of the Dominion Government. Tentatively it had been planned to make an appeal sometime next April, but with income tax returns pushed ahead a month into March and the Victory Loan in February, John Doe's pocket-book is going to be rather flat about April and he will need a breathing spell in which to accumulate a few savings.

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Aircraft Output

Nearly 34,000 Canadian workmen and technicians, including large numbers of girls, have a "full speed ahead" order on new aircraft which brings to more than 8,000 the number of warplanes for which contracts have been awarded since the outbreak of war, announces Hon. C. D. Howe, Minister of Munitions and Supply.

Some aircraft for Canadian use are being made in the United States and in Britain. When the production of those two countries is added to that of Canadian factories, the programme now under way not only meets all the training and service requirements in this country, but enables Canada to make further substantial contributions of service craft to the air forces of Britain and the Allies in the various theatres of war.

"In the early days of the war," said Mr. Howe, "production of training craft was a 'must.' It is still a major effort, but we are now reaching the stage when we can place more emphasis on the building of aircraft for actual war flying. To simplify and speed up the output, current Canadian manufacture is now being confined to seven types of aircraft as compared with the 15 types which, at one time or another, have been in production."

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More Ships

Two west coast shipyards have been instructed to proceed with the construction of 17 twin screw corvettes, it is officially announced.

Representing an expenditure of approximately $25 millions, the work is to be started immediately by the Burrard Dry Dock Co. of Vancouver, and Yarrows Ltd. of Victoria, and is in line with the recent government announcement, that Canada's shipbuilding programme is being expanded.

The vessels are a part of the general shipbuilding expansion programme, drafted recently for completion in 1943, which includes an additional 38 corvettes, 25 mine sweepers and 16 trawlers.

• • •

Gun Programme

Seven Canadian plants have made their first shipments of guns or gun mountings during the past six weeks, states Hon. C. D. Howe, Minister of Munitions and Supply. Three of these types of ordnance already are in service.

There are now four types of guns and seven types of carriages or mountings produced in Canada. Among the more recent units going into production are two types of 2-pounder naval mountings, a twin mounting for .50 calibre machine guns, a 2-pounder anti-tank carriage, a 12-pounder mounting, a 40 millimeter anti-aircraft gun, and a 25-pounder artillery field gun.

Answers to Import Problems

WPTB Clearing Up Some Questions

By STAFF WRITER

OTTAWA.—Biggest problem facing price ceiling officials and administrators has to do with the handling of imported goods. The ramifications are so profound that in many instances the solution will have to develop as time goes on.

However, recent clarifications of policy from the Wartime Prices and Trade Board now make possible an official answer to some of those problems which, for simplicity, are listed in question and answer form. Quotations are from official interpretations.

1. Sale of imported war supplies is exempt from maximum price rules by section 4 of the regulations. Does this exemption apply only to the direct sale to the Government through the Department of Munitions and Supply, or does it apply to all the stages of fabrication and handling which may precede such a sale?

"The Board has under consideration an order exempting from maximum price regulations all sales by any person of imported goods which eventually are sold to the Department of Munitions and Supply or any agency thereof. This represents an extension of the present exemption in section 4 (b) of the regulations."

2. Will rebates, in the case of higher import costs, be in the form of subsidies, tax exemptions, or will the Government take over the buying and selling of imported goods?

The procedure will vary. "The methods will, in the first instance, consist of direct subsidies to importers, with the possibility that from time to time duties and taxes on imported goods may be reduced in such a way as to make subsidies unnecessary."

In the case of raw materials "The Commodity Prices Stabilization Corporation may act by paying subsidies or by actually buying and selling commodities, as may seem most suitable in the circumstances."

Some authorities here favor extending this function of the C.P.S.C. to include all cases, raw material or otherwise, where unduly high prices are faced in United States. The above quotations, however, are the official stand at the moment.

3. Will subsidies be granted wherever prices abroad rise, no matter how small the rise may be?

"The Board cannot be expected to approve subsidies where the increase in import prices is not of significant proportions to those concerned. Any increase which the importer or his trade customers can absorb without undue hardship should not even be made the subject of an application to the board."

4. What yardstick will the board use in gauging the amount of subsidies?

For imports by retailers "the Board will endeavor to measure the amount of the subsidy in such a way that the retailer will receive his goods at a cost which is reasonable in relation to his retail ceiling price. It follows that those who maintained low retail prices during the basic period will be able to continue to sell at those prices without undue hardship." The same principle is applied to imports by wholesalers, the object in this case being "that imported goods should be obtainable on a basis which will enable wholesalers to supply retailers at prices in reasonable relationship to retailers' ceiling prices."

5. How will domestic producers be protected against undue subsidies to imports offering unfair competition?

"Diversion from domestic to foreign sources of supply, if not occasioned by a shortage of supplies in Canada, may require reduction or elimination of the subsidy with respect to such importers, or exclusion of the importer concerned from the benefits of the subsidy system."

6. Up to the present time, what imported goods are not eligible for the subsidy?

1. Goods imported for resale to the Canadian consumer in condition as imported, if not subject to a retail ceiling price. These are at present fresh fruits and vegetables and greenhouse products, and garments and wearing apparel wholly of fur.

2. Raw and semi-finished goods which are not subject to ceiling prices, or which are imported for manufacture into goods which are not subject to ceiling prices. These are at present raw and dressed fur skins, and garments and wearing apparel wholly of fur.

3. Production-goods of any kind imported for use by manufacturers, millers, mining companies, lumbering companies, and other industrial producers and service industries in Canada. These goods in the nature of equipment not sold or converted into articles for sale to the general consumer are being excluded from the application of the Maximum Prices Regulations. This category does not include, however, machinery and parts, implements, tools, supplies and equipment imported for sale to farmers, fishermen and other individuals for their use in the course of their trade or occupation. Such persons are regarded as consumers, and the goods in question as consumer goods, for the purposes of price control; the price ceiling applies and imports are eligible for subsidy.

4. Passenger cars, trucks and other motor vehicles.

5. Goods imported for war purposes.

6. Goods imported and re-exported, whether in the same form or after processing or manufacturing in Canada, and whether the re-export is made by the importer or by some other person. There is no ceiling on export prices and, accordingly, no subsidy will be paid on imports which are subsequently exported.

7. Any goods where amount of the subsidy is trifling in relation to the amounts involved, and any case where the total claim by the importer in respect of all goods imported in any month is less than $25.

8. Goods imported direct by consumers.

9. Goods for which import entry was passed prior to Dec. 1, 1941.

7. In making application for a subsidy, what material does the board require?

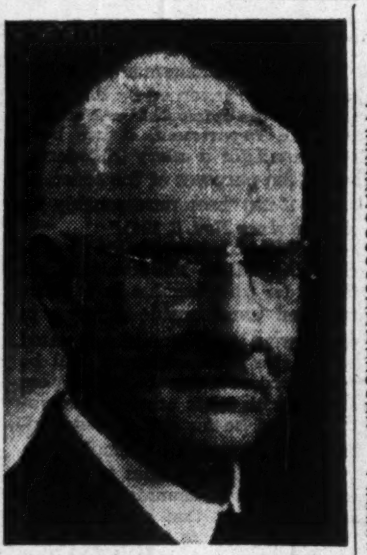
"Claim forms will be distributed by the board before the end of December and will be submitted to the board monthly by all importers concerned. In the meantime, importers who think they will have a claim this month or in the future should prepare studies of their import costs during such periods as may be appropriate to their business..... The Board must be in a position to compare costs of importers for each month for which a subsidy is claimed, with the appropriate past costs." Each retailer who imports direct should prepare a list of his ceiling prices for imported goods.

8. Will subsidies be retroactive and, if so, to what date?

"At the present time the important thing is for import trade to be continued in accordance with past practice, even if present import prices involve an actual loss to the importer concerned, for subsidy adjustments will be made retroactive to Dec. 1. Importers should, therefore adjust their own selling prices so as to enable retailers to carry on under the retail ceiling."

9. When should applications be made for December losses due to higher import costs and the price ceiling?

"Procedures will be established and forms distributed before the end of December so that claims relating to goods imported in December may be submitted in January."



C. H. CARLISLE
President of The Dominion Bank, whose address to the shareholders at the 71st Annual Meeting of the Bank appears elsewhere in this paper.

BRALORNE DISTRIBUTION

The regular quarterly dividend of 20 cents a share plus an extra of 10 cents a share has been declared by Bralorne Mines, payable Jan. 15, 1942, to shareholders of record Dec. 31, 1941.

Bond Tenders

Dec. 14, Village of Richmond Hill, Ont.—$10,000, 3½%, 10 years. A. J. Hume, treas. (See announcement on page 4).

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Dec. 13, 1941

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Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941: Monthly Figures:												
Jan.	77.6	74.1	72.1	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.3	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.6	95.7	79.7	64.4	89.7	71.2	67.8
Sept.	80.5	78.5	75.1	51.3	108.4	93.3	102.4	82.4	68.8	91.2	74.7	71.0
Oct.	78.3	75.5	74.5	51.2	105.7	91.9	98.7	78.9	67.2	90.8	72.5	69.1
Weekly Figures:												
Nov. 6	78.2	75.1	73.3	53.1	109.0	91.9	100.7	77.7	66.1	90.7	71.7	69.2
Nov. 13	78.3	75.8	74.2	53.0	110.5	90.6	102.0	77.8	66.2	92.0	71.5	68.6
Nov. 20	78.0	77.9	76.1	52.4	109.7	90.7	104.0	78.1	65.4	92.1	71.1	68.7
Nov. 27	78.5	76.7	75.8	53.1	110.9	90.8	103.7	77.7	64.4	91.8	70.2	68.5
Dec. 4	78.3	77.0	76.1	50.8	110.8	91.5	106.6	78.0	64.1	91.4	70.6	67.9

*High and low for year from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Dec. 9	91.23	85.51	66.52	18.53
Dec. 8	93.52	86.50	67.83	18.72
Dec. 6	94.76	88.68	68.24	19.26
Dec. 5	94.53	88.80	68.38	19.17
Dec. 4	94.74	89.15	68.39	19.36
Dec. 3	94.70	89.35	68.34	19.27
Month ago	95.05	91.15	70.37	18.61
Year ago	101.06	108.15	67.14	21.31
High 1941	103.48	109.76	75.30	21.62
Low 1941	85.87	85.51	59.30	16.73

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cnd.	10 Pprs.	15 Golds
Dec. 9	42.2	59.4	53.7	76.87	58.14
Dec. 8	43.0	60.6	54.7	79.19	59.06
Dec. 6	43.3	61.5	55.4	81.42	59.35
Dec. 5	43.2	61.5	55.4	81.53	59.69
Dec. 4	43.3	61.4	55.4	80.68	59.87
Dec. 3	43.2	61.6	55.5	81.91	59.66
Month ago	44.4	61.0	53.6	80.14	60.27
Year ago	54.7	66.6	62.6	82.65	78.64
High 1941	54.3	66.6	62.3	88.90	79.99
Low 1941	42.1	52.3	49.3	58.96	58.14

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Forest Hill Village, Ont.	Dec.	F. L. Craig	3½%	....	$48,322	102.00	3.22%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—		Offered by	Rate	Due	Amount	Price	Yield
Sangamo Co.	Dec.	Privately	3-4½%	10-yr. ser.	$150,000	....	....

Searle Grain Has New Plan

Would Make Basic Minimum Wheat Price $1.20 a Bushel

From Our Own Correspondent

WINNIPEG.—The Searle Grain Co. issued last week a new proposal for adjusting wheat income of western farmers. It is to the effect that the basic minimum wheat price should be increased to $1.20 per bushel, against the 70-cent per bushel basis of the Wheat Board initial payment. Such a price, representing approximately $1 per bushel at the farm, would, it is said, provide about the same purchasing power for a bushel of wheat as prevailed during the 1909-1914 period, which is that selected for determining "parity price" in the United States.

The suggestion of the Searle Grain Co. is that such a price could be paid to farmers without interfering with the government plan to keep down flour prices as part of its anti-inflation policy. The Commodity Stabilization Corp., which has been set up by the government, could arrange with companies purchasing grain from farmers to pay more than the ceiling price for grain. On reselling to millers and others at the ceiling price the difference would be absorbed by the corporation.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$9.75	$9.50	$9.25
Hogs	14.75	14.85	11.50
Copper, lb.	.12	.12	.12
Cotton, lb.	.1824	.1736	.1043
Sugar, raw, lb.	.0350	.0350	.0287
Wheat, Man. (bu.)	.75⅛	.75⅛	.74
Coffee, lb.	.09¾	.09¾	.05¼
Hides	.15½	15½	.13½
Weekly Indices			
Canada, D.B.S.	93.9	93.9	84.1
Do., Wood, Gundy	75.1	74.8	67.4
U. S. Labor	92.3	92.2	79.7
Dow Jones (future)	82.81	81.50	56.47
Fishers	99.2	99.0	85.0
Monthly Indices			
Canada (D.B.S.):			
Retail (Nov.)*	116.3	115.5	107.8
W'sale. (Oct.)	93.8	93.2	83.3
U. S. (Sept.)	91.8	90.3	78.0
Gt. Brit. (Aug.)	153.2	153.2	140.1

Note:—The base of indices is that 1926 equals 100 *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

C. P. R. Pays Full Rate On Preferred Stock

MONTREAL. — Canadian Pacific Railway Co. directors have declared a dividend of 2% on the preference stock in respect of the year 1941, payable Feb. 1, 1942, to shareholders of record Jan. 1, 1942.

The company having paid 2% on Aug. 1, this declaration makes 4% in respect of the year 1941. In 1940 the company paid the full 4% rate.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Eastern Car	*6%	1952	Jan. 1	105
Mississippi R. Pr.	†5%	1951	Jan. 1	105
Can. Bakeries	6½%	1948	Jan. 15	103½
Para. Pict. deb.	3¼%	1947	Dec. 12	par
Shaw. W. & Pr.	▲3½%	1946	Dec. 30	100½
Phillips Elec. Works	5%	1953	Dec. 23	104½

*$45,000. †$148,600.
▲Collateral trust notes.

WANTED
INTEREST IN BUSINESS
Gentleman from Europe is desirous of investing $50,000 to $100,000 in a going concern, as an active partner. Box 202 — The Financial Post, Dominion Square Bldg., Montreal, P.Q.

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Manufacturers Of War Material
BORROW TO SPEED PRODUCTION

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Borrowing to pay wages or to buy raw materials for making war supplies of great variety is an everyday transaction at the Bank of Montreal.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service... the Outcome of 124 Years' Successful Operation
A137

GOLDEN GATE UNDERWRITING

Payment for Dec. 4, 1941, underwriting on 50,000 shares has been received by Golden Gate Mining Co. Balance of agreement covers option on 600,000 shares with next instalment due Jan. 3. Issued capital is now 3,700,000 shares, leaving 1,300,000 shares in the treasury.

PERMANENCY

BENEFICIARIES of estates find our personal service particularly comforting. The Royal Trust Company is not a factory—cold and mechanized—but a group of skilled and very human individuals deeply interested in the problems of our clients. While individual service is enjoyed, the estate has that protection which only a corporate executor can give — permanency. A Trust Company does not die, is never ill nor absent when needed.

BUY WAR SAVINGS CERTIFICATES

THE ROYAL TRUST COMPANY

390J

Defense starts in the office

Don't handcuff management!

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So—thank the office force as well as your shop chief if you're meeting production schedules. With the ever-increasing complexities of war work, management has one tough job.

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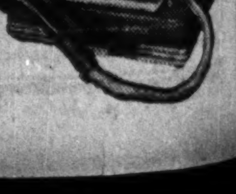

Keeping in Mind Postwar Adjustment And Present War Needs

What Further Occupations Should Be Handled Chiefly by Women?

And How Would This be Achieved?

Dr. Ellen Douglas

Of Winnipeg, past president, National Federation Business and Professional Women.

Machines do not have a depressing effect upon women, therefore women could replace men in munitions, powder and other factories where the machine does heavy work and the operator merely controls. This would release many able bodied men.

Women could also handle occupation as postmen, postal clerks, tailors, florists, gardeners, street car and bus conductors, farm helpers, railway porters, dining car staff, banking, bakers, telephone, telegraph operators, meteorological observers, board markers, teletypists in stocks and bonds, travelling representatives for business firms and insurance underwriters.

Many of these occupations could be assigned to women for duration of the war only.

* * *

James S. Duncan

President and general manager, Massey-Harris Co. Ltd., Toronto.

If there was still any doubt in our minds that one of the major problems of our war effort in its present stage is that of a growing shortage of manpower, it should have been completely dispelled by the recent statement and action of the British government. Here in Canada, we face the double - barrelled problem of meeting the ever-increasing demand for manpower in war industries, and of finding the men required for the three fighting forces.

There are some who say that our choice is limited to either an all-out industrial effort or an all-out contribution in fighting men. My viewpoint is that both ambitions can be realized if we make full use of the man and woman power available.

There are many jobs which Canadian women could fill in wartime, which we have come to regard as being exclusively reserved for men. Further, there can be no doubt concerning the willingness and, in fact, the eagerness of the women of this country to make their contribution toward our war effort, thereby releasing men for the type of work in our munitions factories, our essential civilian industries or our armed forces which they alone can perform.

Probably the most serious difficulty which stands in the way of the full employment of women is the prejudice of the employer, be he in ordinary commercial life, in the civil service or in the armed forces. Yet there can be no question that women are fully capable of doing many of the tasks at present performed by men, because they are already doing so in many European countries to everyone's satisfaction. This prejudice can only be overcome by suitable leadership, bringing with it a realization of the issues at stake and by the goodwill and co-operation of all concerned.

An important consideration in connection with the employing of women is that by so doing we would be facilitating postwar adjustment. It is obvious that women, at the present time unemployed, but who, for patriotic reasons, have taken on service during the war, could retire again from this work and go back to their families with a lesser degree of economic disturbance than if the male breadwinner were thrown out of a job when the war is over.

Mr. Duncan's extensive list of jobs suitable for women war employment is listed in special panel.

Canada's growing shortage of manpower prompted The Financial Post this week to put the following question to a representative group of Canadian men and women:

> "Keeping in mind postwar adjustment and present war needs, what further occupations should be handled almost entirely by women and how would this be achieved?"

In addition to the regular replies published in the adjoining columns, J. S. Duncan, president and general manager, Massey-Harris Co., prepared the following specific list of occupations, covering the full range of Canadian industry, which, in his opinion, could be entirely handled by women:

AGRICULTURE — Farm work, especially driving of tractors for seeding, cultivating and harvesting.
- Trucking products to markets.

INDUSTRIAL—Divers clerical help bookkeeping, machine operators.
- Routine checking for chartered accountants.
- Machine operators in factories, other than those employed in highly skilled trades.
- Truck drivers in factories.
- Warehousing work, other than heavier tasks.
- Elevator operators.
- Meter reading for gas and electricity.

WHOLESALE—Clerical help.
- Truck drivers.
- Travelling order takers on staple lines.

RETAIL—Clerks in stores.
- Retail deliveries by truck and bicycle.
- Gas and oil station attendants.
- Bakery operations and delivery.
- Milk delivery.
- Floor walkers in department stores.

TRANSPORTATION — Motormen, conductors street cars, busses.
- Private and commercial chauffeurs.
- Taxi drivers.
- Truck and transport drivers.
- Clerks in offices.
- Telegraphy work on railroads.
- Station clerks.
- Clerks in air travel offices.

BANKS AND FINANCIAL—Bank messengers.
- Tellers.
- Other clerical work in financial offices, other than key men.

CIVIL SERVICE — Postmen.
- Postal Clerks.
- Postal Messengers.
- Stenographers (Male).
- Teachers.
- Inspectors—Sanitary, Weights and Measures, etc.
- Truck drivers.
- Clerical work in all government and municipal offices.

POLICE WORK — Traffic control work.
- Delivery of summonses and similar police jobs.
- Marking of cars for overdue parking.

ARMY-NAVY AND AIR FORCE—
- Switchboard operators.
- Stenographers.
- Orderly room clerks.
- Canteen work.
- Truck drivers (other than those being trained for combat duties).
- Chauffeurs.
- Clerical work in administration offices.
- Clerical work in recruiting offices
- Cooks and bakers.
- Batmen, other than in combat areas.
- Waiters, cooks, etc., in sergeants' and officers' messes.

THEATRES — Ushers and ticket takers.

RADIO — Announcers and Newscasters.
- Clerical work.

CLUBS — Stewards, cooks and waiters.

HOTELS—Bell boys.
- Elevator operators.
- Clerks.
- Bus boys.
- Waiters in dining rooms.

Dr. Harold G. Fox

General manager, Lightning Fastener Co., St. Catharines, Ont.

I consider women capable of filling all occupations except those requiring more physical strength than possessed by women.

The obvious method of achieving such results would be same as has been pursued in England, namely compulsory selective service.

Your question can be replied to by further question: outside of heavy labor what occupations can women not handle if given opportunity?

This opinion is based on present war needs. The postwar adjustment period must take care of itself and after we win the war.

* * *

R. B. Hamilton

Former Saskatchewan wheat grower and now farming near Bowmanville, Ont.

Since greater quantities of foodstuffs are required today and will be needed by people of the war stricken areas after the war, more women could be used on farms to handle gardens, fruit raising, poultry, milking cows, etc.

This could be achieved by regulating prices of farm produce so that more attractive wages could be paid.

* * *

Nora Frances Henderson

Member of the Board of Control, Hamilton.

Post-war adjustment and present war needs are quite incompatible. Any occupations now generally filled by men and assumed by women will be needed by men if depression follows the war.

Women could move into any occupations not requiring long training to fill. This would mean practically all retail stores, restaurant work, banks, etc.

How to achieve this either by conscription of men for forces or indirectly by government mandatory order or by public pressure on employers to use women only is not for a woman to decide. As a woman, I am not inclined to ask for conscription of young men to go abroad and die for me.

* * *

John Humphrey

Professor of Law, McGill University, Montreal.

As a matter of principle I favor the opening of all professions and occupations to women except those occupations which must remain closed to them because of physical incapacity.

I also think that as long as the war lasts, special efforts should be made to encourage women to participate more actively in the economic and industrial efforts of the nation although I realize that this may create problems for the post war readjustment period. I do not think, however, that there are many, if any, occupations not already virtually restricted to women, that can be restricted in future.

Mrs. Frederick A. Lane

Of Halifax, prominent in child welfare work and the Y. W. C. A.

Further wartime occupations for women can include farming, postal work, transportation, banking, all clerical tasks catering for armed forces, automobile mechanics, hotel administration, theatre attendant.

Post war jobs would include rehabilitation of service men and families, slum clearance and all problems of social welfare, education and health.

Women should also have representation on directorates of companies in view of the large proportion of wealth controlled by women in this country.

To achieve these ends we should create favorable public opinion recognizing women's ability to do the work required and should train them where necessary.

* * *

Natie Hazen McKay

Of Rothessay, N.B., prominent in organization of Voluntary Registration of Women for War Work.

A recent trip across Canada convinces me that many able and strong women are ready and waiting to be asked to replace men so that those replaced may be used in any capacity that the government needs them in forwarding our war effort. Women might fill almost entirely the following positions:

Waiters, room clerks, bell-boys, valets, doormen in hotels; elevator operators, porters at railway stations, trucks to be provided for heavy baggage, police women on traffic duty, drivers of delivery vehicles, and many positions in our post offices and customs houses, especially in censoring which has become such a colossal job.

* * *

A. R. Mosher

Representative of labor in the National Labor Supply Council, Ottawa.

I can see no reason for any extension of occupations to be filled almost entirely by women so long as male workers are available for employment in such occupations.

I feel that the man power of the Dominion has not so far been adequately utilized in the war effort.

I believe the government should survey potential man power as well as likely requirements for the coming year and, further, that if the same wage rates were paid to men and women workers doing the same type of work there would be little or no demand for women to perform work ordinarily done by men.

A. H. Paradis

Prominent in Montreal industrial and financial circles and president Paradis & Son.

I think women, at present, are doing a wonderful job and will do more if requested by same methods now in use. But we must not forget that if we enrol great numbers of women in industrial war enterprises these same women will want to keep these positions after the war.

This will create larger number of unemployed after the war and will increase the problem of postwar adjustment. I would not suggest increasing momentum of women use in war industries except when absolutely necessary. We can increase production still further with present methods in use.

* * *

René Perrault

President, Cumming Perrault Ltd., and well-known Montreal business executive.

Woman will take greater part in war industries and auxiliary services with the armed forces. The first will be achieved once reshuffling of labor forces has been completed following application of price ceiling regulations.

Retail automobile industry has made large contribution of manpower to armed forces and war industries dealers may employ more women but the greater number will be required in essential industries from which young men will be transferred to the services.

* * *

John A. Tory

Director Sun Life Assurance Co. and prominent in Toronto business circles.

Only in a few classes of business where both sexes are employed would it be wise to have solely women employees.

Canada is a nation of homes; the home must be maintained and the husband should be provider. Therefore in securing men for army and war industry it should be understood their peacetime positions will be open to them when war ends.

As demand increases for men overseas and war industries, women could be used temporarily to a greater extent in Civil Service, municipal offices and public utilities. The careful selection of men for wartime duties should be followed by equally careful selection of women to fill positions temporarily. The aim should be to disrupt homes as little as possible.

* * *

G. R. Treviranus

Former minister of agriculture in the Bruening government of Germany 1930-32, refugee from the Nazi terror, now farming near Whitby, Ontario, and since last Dec. 10 a Canadian citizen.

Before the war is over there will be the call "Honor your birthright" by the people of Canada to the people of Canada. This would cut short all discussions about conscription or requisition of labor and wealth, selective compulsory or voluntary services. It will be the simple question of everyone to himself.

Womanhood will participate in this spontaneous effort to get ahead of the totalitarian means of destruction. It will be appropriate to choose spheres for female activities where they are not only needed for the duration but where they can stay.

If the forces can use thousands of girls in auxiliary duties let them take over similar jobs in civilian transportation.

Women compete with great success in the British Isles in workshops, at revolving benches and lathes with skilled men. They should be granted the same chances against closed shop theories in peacetime.

I doubt if there will be any shortage of work for the next decade during the aftermath of this world crisis. Reconstructing shattered houses, roads and rails, providing homes for slumdwellers and strays in all the world, bringing good neighbor policy to the practical test will require legions of volunteers. Their vacancies at home have to be filled.

The difficulties of dairy farming offer one of many solutions for increased use of female labor. Grants to farmers for the purchase of milking machines would considerably ease the strain of chores and would allow the use of an army of land girls to replace hired men, as has been done in other countries.

* * *

France Shelley Wees

Well-known Canadian novelist and short story writer.

I cannot answer your question because I think the premise is false. Sex is no basis for determining occupation. If women are to do only nursing or truck driving, then red-haired people can only sell aluminum. Women are people and people are individuals.

I would have the educators devise aptitude selections and individual developmental training and then let us open all the doors.

Women have the same genes and chromosomes as men and in most fields the same possibilities for accomplishment.

I suggest developing those possibilities on equality basis and then recognizing homemaking and child bearing as proud privileges instead of a woman's last hope for a meal ticket.

To men with their eyes on the future

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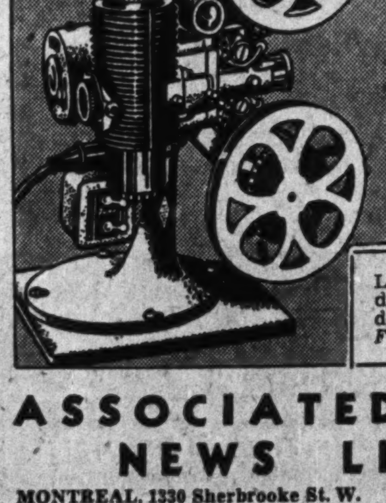

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Investment Trends

Jap War Breaks Weak Market Resistance

Effect of U. S. Entrance Into War Hits New York But Greater Strength is Shown in London and Canada Stock Markets

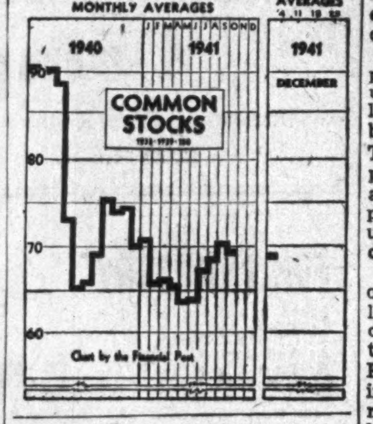
The Japanese threw a scare into more than the defenders of Far Eastern outposts when they attacked U. S. and British possessions. They upset completely the uneasy equilibrium that had prevailed in stock markets, particularly in the United States, over recent weeks.

There seems nothing else to account for the near panic declines that were experienced in the first days after the Japanese war started. Canadian and British stock markets held a little better than those in the United States, probably something to be expected as the latest turn of events marked the latter country's first direct involvment in the war. We have become more or less hardened to disturbing news but it appears that U. S. investors are far less prepared for shocks than had been thought by observers of stock market trends in that country.

In the first two days following the attack by the Japs on U. S. and British possessions, stock markets in London declined only two points. At 103.3, however, the close on Dec. 9, London industrials were still almost two points above their 1940 high. Contrast this with the Dow-Jones industrial share average which was several points below its 1940 low.

Canadian stock markets in the same period lost 3.53 points as measured by the Toronto industrials from the Dec. 6 close.

* * *



More Bear Market?

Those who follow charts—and they are very numerous among investors—will probably hold that decisive breaking of the 1940 lows indicated a renewal of the decline that had started in Sept., 1939. In other words, all we have gone through as investors since the war started has been of no real importance in indicating the direction of the real trend of stock prices.

This may or may not be true. At least it does indicate an unexpected low investor confidence.

We make no attempt to predict when the bottom of the stock market decline will be reached. Obviously, when so much depends on investor psychology and that is so weak, a sharp improvement in the news from the war front might bring a rapid turn-about. There is no doubt but that, on the basis of earnings and dividend return, stocks are relatively low-priced and this is a factor that should eventually make itself felt. But until there is some more convincing evidence that still lower prices are not going to be seen, there is little inducement to make extensive purchases. Investors may miss the bottom but should also be able to save themselves a lot of worry.

* * *

Forecast Break

Following eight consecutive weeks of decline for the composite bank line as computed by E. G. Bulmer & Co., Toronto investment firm whose investment methods have been explained in The Financial Post, the signal has been given for a further decline, according to this theory. Latest letter sent out Dec. 6 by this firm stated its belief that a downward trend in business, to be followed by a lowering of equity prices, was indicated. This follows warnings in recent weeks and anticipated by a day or two what actually happened. It was first reported in The Post on Nov. 1.

The firm's advice now is to use the next four to six weeks to sell securities in the belief that capital will be protected and an opportunity given to repurchase securities when the business decline has run its course.

* * *

Attitude Changes

Security markets since the war started indicate a strong investment preference for security of financial resources, earning power and income and a modified attitude has developed toward common stocks which were widely bought at the beginning of the war as an inflation hedge, states A. E. Ames & Co. in its December letter.

This firm sees it "improbable that there will be any sustained general upward movement in corporate earning and dividends for the duration of the war."

It is maintained that this does not necessarily rule out the "possibility of a moderate rise in prices under favorable circumstances" and cites the rise in stock prices in Great Britain as a precedent.

* * *

Profits Limited

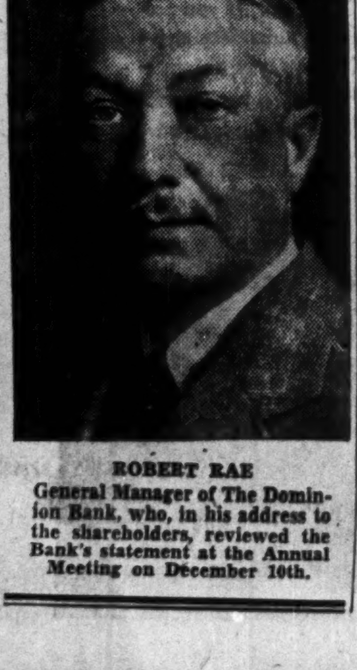
Successful wartime controls and high taxation operate largely to limit the rise in the amount of net profits in spite of substantial increases in business volume, maintains the Ames letter. Present high yields of common stocks reflect concern as to the effect of price control upon profit margins in some businesses and the effect of federal taxation upon net profits available for dividends.

"A more realistic concern," it is stated, "for those who have a long-term investment interest in common stocks is whether controls will be modified at the war's end and whether pressure on profit margins is likely to weaken the financial structure of Canadian enterprise by curtailing the ability to make needed replacements to assets or repay liabilities. To the first question there can be no immediate answer and the annual financial reports of Canadian corporations for 1941 may soon shed light on the second. Under present conditions it is unlikely that any vital impairment of the financial position of essential industries is occurring."

To Hear Massey Plea Jan. 16

Mr. Justice Middleton of the Ontario Supreme Court will hear the application of Massey-Harris Co. for an order approving its recently adopted plan of reorganization on Jan. 16, 1942. Preliminary court hearing was held Dec. 9 at which H. G. Stapells, K.C., chairman of the common shareholders' protective committee, expressed opposition to the court approval of the plan as adopted by shareholders.

The Stapells committee will be given the opportunity between now and Jan. 16 to examine the proxies and records in connection with the shareholders' meetings on Nov. 26 and 27.



ROBERT RAE
General Manager of The Dominion Bank, who, in his address to the shareholders, reviewed the Bank's statement at the Annual Meeting on December 10th.

Langley's Net To Be Higher

To Earn $3 or More on Preferred This Year—Might Boost Dividend

Indications are that Langley's Limited will earn $3 a share or more on its preferred stock in 1941 after allowing for all the taxes and other costs. This would compare with $1.58 a share reported for 1940.

The company is paying $2 a share in dividends this year and there seems little reason to doubt that this rate cannot be maintained, or perhaps increased, next year. There are substantial arrears on this preference stock, amounting at March 12, 1941, to $40.75 a share.

New Equipment

This year the company has spent upwards of $60,000 on its plant and new equipment, some of which is not yet delivered. It now claims the most modern dry cleaning and laundering establishment.

Good progress is reputed for its "bachelor" laundry department. Started at the first of this year, when the company undertook to do its laundering itself and end the former arrangement where the actual work was done under a contract, the service has grown until it is now running on a profitable basis and it is expected volume can be greatly increased next year.

Little difficulty has yet been experienced in obtaining materials used in either the dry-cleaning or laundering and the company has been able to get deliveries as needed. There is said to be a possibility that paper bags will be difficult to obtain and currently a campaign is being put on to salvage the metal hangers used in such large quantities in the dry-cleaning business..

Langley's has established 35 stores, of which 25 are in Toronto. At these laundry is picked up and delivered on a cash and carry basis and also the ordinary dry-cleaning business. Price adjustments have been made in the dry-cleaning end of the business prior to the price ceiling regulations and the company is said to be in a favorable position from this standpoint.

Appeal Due Abitibi Case

Order For Sale Granted Montreal Trust to be Opposed

An appeal is expected against the judgment of Mr. Justice Middleton in the Ontario Supreme Court which granted the order sought by the Montreal Trust Co. for a sale of the assets and undertaking of Abitibi Power & Paper Co.

The liquidator, R. S. MacPherson, C.A., is expected to take action in continuing opposition to this sale. He would be acting in his capacity as the court representative for equity holders. In addition it appears that the Ontario Attorney-General is interested in attempting to establish that the Ontario Abitibi Moratorium Act is within the powers of the province. Mr. Justice Middleton declared that this Ontario Act conflicted with the Dominion's powers under its Winding Up Act and was ultra vires.

This act was passed by the Ontario Legislature last spring following the report of the McTague Royal Commission which enquired into the affairs of Abitibi. It was designed to prevent the holding of a sale under the mortgage and with authority of the courts.

In his judgment Mr. Justice Middleton maintained that the only ground of opposition to the sale order which was fully argued before him was that involved by the Ontario act already mentioned.

Lake Sulphite Creditors To Talk Brompton Offer

From Our Own Correspondent

MONTREAL.—Creditors of Lake Sulphite Pulp Co., in receivership, will meet sometime next month to consider the offer made to the receiver for assets of the company by Brompton Pulp and Paper Co.

Early this week creditors met with the acting receiver, Harrison Hayes, to discuss the Brompton offer and to consider the division of proceeds in the event it is accepted.

No official word is available as to the exact terms of the offer, but it is understood Brompton has put forward a bid of $1 million for the various properties and assets. Of this sum $500,000 will be in the form of cash and the balance in 5%, 14-year debentures of Brompton.

Nothing for Stock

Such a sum is considerably less than the admitted claims against the bankrupt Lake Sulphite Pulp Co. The bulk would be taken up by receivers' claims, including bank indebtedness and other claims. Comparatively little would be left for the noteholders and nothing for the common shareholders.

At the time of writing the receiver had received no other offers. It is understood other groups are interested in acquiring control of Lake Sulphite. In the event they come forward with an offer, or offers, it is assumed they will have to make a substantial cash deposit as evidence of good faith.

Meanwhile the Brompton offer will have to be put up for consideration of Lake Sulphite creditors. If between now and the time of the meeting, likely to be held sometime next month, other offers are received, they will have to be considered separately.

B. C. Reports $6.6 Millions Surplus

From Our Own Correspondent

VANCOUVER.—British Columbia had a current account surplus of $6.6 millions in the fiscal year ended March 31, with revenue totalling $36.2 millions and expenditures of $29.6 millions, according to figures presented to the Legislature.

Unemployment relief charges totalling $256,016 reduced the revenue surplus to $4.0 millions.

Current account expenditures totalled $26.8 millions and debt redemption charges $776,422.

During the year the province's assets increased by $6.6 millions to form a total of $273.0 millions.

Liabilities increased in the same period by $2.2 millions, totalling $248.6 millions, leaving an excess of assets over liabilities of $24.2 millions.

Thayers Pays $3.50 On Preferred

Thayers Ltd. has declared a dividend of $3.50 per share on the $3.50 preferred stock, payable Jan. 1, 1942, to shareholders of record Dec. 20, ex-dividend Dec. 18. After this payment arrears will remain unchanged at $2 per share.

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Tenders Wanted
Tenders will be received up to Dec. 14, 1941 for the purchase of $10,000.00, 3½ per cent Ten year Instalment Bonds of the Village of Richmond Hill.
The highest or any tender not necessarily accepted. Address A. J. Hume, Treasurer, Richmond Hill.

Price Ceiling Planners Explain 'Double System'

From Our Own Correspondent

OTTAWA.—Officials of the price ceiling policy do not agree that the exemption of war goods from ceiling regulations will result in a two-price structure.

As the regulations now stand the Department of Munitions and Supply, in placing an order for war goods, may bid what it likes for such goods regardless of what the price may have been during the basic period Sept. 15 to Oct. 11.

This clause, which has led to some confusion in trade circles, is understood to have been included in the regulations while they were still under consideration by the cabinet at the express request of the minister of Munitions and Supply. Purpose was to avoid delay in the flow of armaments and supplies.

Generally speaking, however, The Financial Post understands it is the intention to invoke this exemption only when a delay in production of some vitally needed article would result.

Might Cause Delay

In some cases, for example, in order to fill a sudden order for a certain article, a firm is faced with working extra shift, or minor plant or equipment adjustments, etc. In such cases, production might be delayed were the firm bound to prices prevailing for similar articles (perhaps produced under more normal conditions), during the basic period. It is argued that in situations such as this, the government is unlikely to be bidding against the private consumer, so that talk of a "two price structure" is pharisaical.

When imports enter the war-goods picture, it is understood government policy is to pay possibly higher import prices to the Canadian manufacturer in the form of a higher contract price, rather than to attempt to obtain rebate of duties or apply subsidies in each individual case. In other words the higher price a Canadian manufacturer of war goods may have to pay for an imported ingredient will be shown in his selling price to the government.

In the case of subcontracts, The Post learns officially, exemption from the price ceiling will depend on the nature of the prime contract. Where the prime contract is a fixed contract price, the spirit of the price ceiling would in general be carried back through the sub-contracts. New goods under a prime contract would be treated the same as new goods sold to private consumers; that is, the ceiling price would be based on the maximum price of similar goods sold during the basic period.

Purely "War Market"

The same theory would apply to goods produced at a target price, and, like contract prices, ceilings would apply.

In the third general category of war contracts, namely cost-plus contracts, the contractor and sub-contractor would be held to be exempt from the price ceiling, and war-goods exemptions would probably centre in this group. Today most of the war contracts let on a cost-plus basis are for customs goods, i.e., goods such as anti-gas equipment, which is made to a specific blue-print to fill a specific need.

Here the private consumer is unlikely to be in the market, and therefore the complication of two prices is not likely to occur, it is felt by responsible officials. While some competition may occur in the case of machinery needed by a manufacturer to supply a war article, it is pointed out that, under the regulations, ceilings have been removed on sale of imported machinery and equipment such as that required for mining, manufacturing construction and milling.

Quebec Keeps Out of the Red

Provincial Treasurer Says Budget Is Balanced; Cutting Debt

From Our Own Correspondent

MONTREAL.—Quebec's budget is now balanced on an over-all basis, according to a statement made by Hon. J. Arthur Mathewson, K.C., Provincial Treasurer, in addressing the 14th annual dinner of the Montreal Bond Traders Association. At the end of the fiscal year, March 31, 1942, that condition will still obtain, said Mr. Mathewson.

Regarding the improvement already achieved in the province's finances Mr. Mathewson stated that whereas when the present administration took office he found that the province was going in debt to the amount of $1 million a week, the position now is, as a result of the adoption of a policy of living within its means, that the province is now getting out of debt at the rate of $100,000 a week.

In discussing the operation of the province's sinking fund of some $5 millions Mr. Mathewson said the double purpose of meeting obligations has arisen from time to time and of stabilizing the market for Quebec's bonds.

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Descriptive circular forwarded upon request.

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Dominion Coal Co. Output is Normal

From Our Own Correspondent

MONTREAL.—Dominion Coal Co. reports coal production in November at its Cape Breton and Springhill collieries of 432,044 tons. This compares with 434,113 tons in the preceding month and 423,838 tons in November last year.

Harding Carpets Again Pays Extra

Harding Carpets has declared an extra dividend of 5 cents per share, in addition to the regular semi-annual disbursement of 10 cents, both payable Jan. 2, 1942, to shareholders of record Dec. 17, ex-dividend Dec. 16.

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And the war is not being fought in the front lines alone. Here at home, management and labour, shoulder to shoulder, are accomplishing amazing feats of production. The "tools" *are* being given.

Wires and Cables of every type are being supplied in vast quantities by Northern Electric. Power, light, communications—vital essentials to navy, army, air force and allied industries—are being carried over wires and cables whose peace-time development has been tremendously expanded into war-time production. It is understandable then, that the production and delivery of wires and cables for other-than-war needs must be considered of secondary importance as long as the present conflict lasts.

WORKING FOR VICTORY AND SAVING FOR VICTORY!
Pictured on the left is Miss Annie K. Jones, one of our long service employees in the wire and cable division. Miss Jones is one of the thousands of us Working for Victory through all-out War Effort and—Saving for Victory through continuous and regular purchases of War Savings Certificates

40-117

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Bond Markets

Borrowing Streamlined In New Loan Set-up

Somewhat obscured by the new war, Ottawa's announcement of Canada's Fourth War Loan marks almost as important changes in borrowing technique as did the Victory Loan in which a pooled selling effort was used for the first time since the last war.

The new total of the loan is being announced two months in advance, giving investors ample warning of the amounts they will need to subscribe. If the minimum of $500 millions is to be raised, each investor will have to dig up 65 cents in February for each dollar he lent last June.

It is thought, however, that $500 millions is the absolute minimum needed and that it is hoped to raise perhaps twice this amount.

Combining the War Savings programme with the loan is sound common sense from both a selling and an organizational viewpoint. At the next canvass those who don't buy bonds can be asked to raise their savings commitment on the spot. One or two canvassers actually followed this plan in the Victory Loan with highly satisfactory results. Everyone should be able to do one or the other.

More Paid Workers?

Just how the War Savings programme is to be tied in with coming loans is not clear as yet. The merchandising technique, except at the period of the loan will be a problem of continuing salesmanship, as contrasted with the week or two of all-out campaigning needed to sell bonds.

But it appears likely that future War Savings will be promoted by paid canvassers in a manner basically similar to that of the Victory Loan. Although the changed technique indicates dissatisfaction with present methods, it is doubtful if there can be any criticism of the management of the War Savings programmes to date, in view of the limited funds at the disposal of the various committees. The entire canvassing to date, which has raised well over $100 millions has been at the expense of the individual canvasser. Although the work has been done wholeheartedly, it is unreasonable to expect a canvasser to neglect his own business indefinitely without compensation.

Another virtue of combining the two programmes under one management will be that with one group of salesmen handling both products there is less chance of the two programmes conflicting.

• • •

No Sell-off

In face of the new war threat it is anachronistic that bond prices have been considerably more stable than they were a year and a half ago. While this condition may not continue, the answer is probably to be found in the very fact that investors are anxious not to repeat the error of June, 1940, anxious to avoid sacrificing sound investments for a cash position that might be useless if the worst fears should materialize.

Another factor is that few of the bond investments available to Canadians are directly tied in with imported commodities. Some textile issues might be drastically affected if the Japs are able to maintain a prolonged blockade,

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A. Fraser Wright Heads Dealers

From Our Own Correspondent

VANCOUVER. — A. Fraser Wright of Pemberton & Son was elected president of the British Columbia Bond Dealers Association, succeeding C. J. Copithorne of Western City Co.

New vice-president is Ross Wilson of A. E. Ames & Co.

The new executive includes James Crane of J. B. Crane & Co,; Noel C. P. Graves of A. E. Jukes & Co.; C. J. Copithorne and James Chilcott of C. M. Oliver & Co.

Democratic Unity Seen Assuring Continued Aid

(Continued from page 1)

productivity per man hour, represent a very tangible benefit from Japan's action.

Greatest danger to the democratic war effort lies in the fact that half of the world now becomes extremely hazardous for transportation of raw materials. As mentioned elsewhere, three most strategic commodities thus affected are rubber, tin and tungsten.

Shortages in such commodities do not depend on success or failure of actual invasion attempts by Japan on the producing countries. Of equal importance is transportation, and the ability of the United States Navy to keep the Pacific sea lanes open to shipping. Fact that Japan's first blows were aimed at crippling naval power in the Pacific is evidence of the truth of this view.

More Rationing Expected

On the broad question of American aid to the allies, it is felt here that the week's developments in the east will result in further restriction of civilian or non-essential use of a wide variety of products needed by the armed forces. Rationing, as it is known in Europe, has only been tasted in Canada and is practically unknown in the United States. In this fact lies a great pool of military supply. That this pool will now be tapped is being taken for granted here. While the first commodities to feel such restrictions are likely to be tin, rubber and tungsten, it is possible that before the end of war, varying degrees of restrictive measures will have been imposed on a long list of other commodities used in normal life.

Exports to United States

Tending to confirm the belief that U. S. arms supply to other nations will not be materially crippled by Japan's aggression is the fact that Canadian war production machinery is now starting to mesh. The variety of war materials which Canada can supply not only to Britain but to United States is growing fairly rapidly.

It is stated officially that Canada is now in a position to export to United States (and, in some cases, has already received substantial orders from that country) corvettes and mine sweepers, certain armed vehicles, small arms, some guns, ammunition, certain explosives and chemicals. These are in addition to the continued export, on an increasing scale, of raw materials such as war metals, timber, pulpwood, pulp and newsprint.

Potentially, there are other manufactured or processed goods such as textiles, leather, rubber and timber products which may shortly be added to the list. Such exports, while facilitating the continued supply of other war materials from the U. S. to the allies may greatly increase the estimated $475 millions of Canadian exports to U. S. forecast for the fiscal year ending next March 31.

During this same period, Canada is expected to import $953 millions of goods from United States, of which $428 million would be for war purchases. In the case of some items, such as shells, it is not difficult to switch tools from British to American requirements if needed.

Under the Hyde Park agreement, it was expected Canada would be able to sell to the United States additional defense materials and some articles of war to the value of $200 to $300 millions. These figures may now be expanded, and Canada's financial ability to purchase needed supplies in U. S. increased proportionately. This, again, would tend to help the continuation of the flow of supplies from that country to other allies.

For these reasons, it is generally felt here that if Japan's role is to slow up the huge flood of supplies from United States arsenals, her task will by no means be an easy one.

VULCAN-BROWN PAYMENT

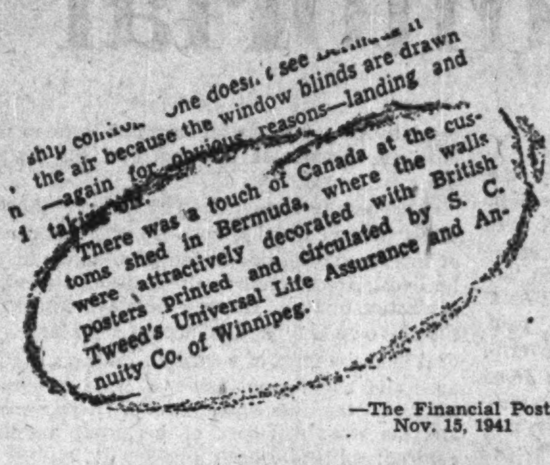
A dividend of 2 cents a share has been declared by Vulcan-Brown Petroleums, payable Dec. 30, 1941, to shareholders of record Dec. 15. Dividends totalling 3½ cents a share had been declared previously in 1941.

Marcus Loew's Clears Arrears

Marcus Loew's Theatres has cleared away all arrears on its preferred stock with declaration of another $1.75 dividend along with the regular quarterly payment of the same amount, both payable Dec. 31 to shareholders of record Dec. 20.

In addition to the regular $7 payment on the preferred, the company with this latest declaration will have paid $7 on account of arrears. In 1940 the same amount was paid while in 1939 arrears were cut by $24.50 a share.

A Touch of Canada—and Winnipeg in Bermuda



the air because the window blinds are drawn —again for obvious reasons—landing and

There was a touch of Canada at the customs shed in Bermuda, where the walls were attractively decorated with British posters printed and circulated by S. C. Tweed's Universal Life Assurance and Annuity Co. of Winnipeg.

—The Financial Post, Nov. 15, 1941

In his article from Lisbon, Floyd S. Chalmers, Editor of The Financial Post, describing his trip in the Atlantic Clipper, referred to this company in the paragraph reproduced.

In practically every democratic country — in public places and private — there are today posters and other war publicity distributed by this company from Winnipeg.

THE UNIVERSAL LIFE ASSURANCE AND ANNUITY COMPANY
505 PARIS BUILDING, WINNIPEG

★ Dominating the Thought of Business Management as it Plans Constructively for 1942 Advertising

Spirit of a new way of living

THE nation's spirit is astir with changes.

The war is accelerating once again the march towards a new and better way of living.

People stand excitedly on the threshold of a new era, the outline of which is still dim. New forces loom ahead . . . a new social order; a vividly new interpretation of community life; new scientific discoveries; new educational methods . . . strange new forms in strange new garbs jostling each other, impatiently ready to vault before our excited sight in the quickly changing panorama.

Few things are more typical of this virile age with its fast tempo than the people's clamour for illustrated magazines to interpret the days of our lives. In Canada this clamour is exemplified by the unprecedented success of NEW WORLD, Canada's only pictorial magazine. NEW WORLD'S advance has been spectacularly rapid. Established only two years ago, it now is seen and read by at least one out of every twenty-five Canadians.

For the fourth time in less than two years **NEW WORLD** announces an increase in its circulation guarantee.

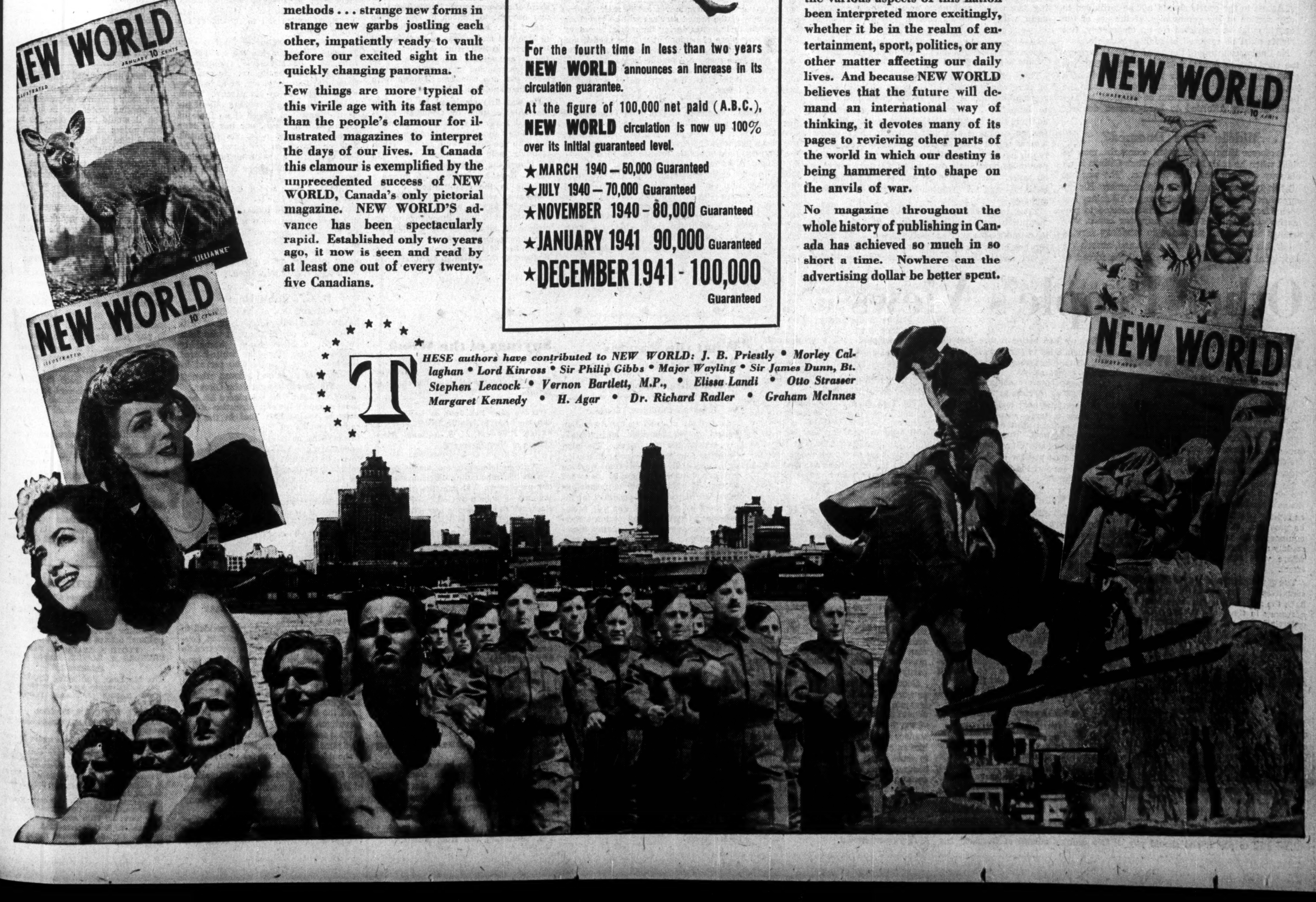
At the figure of 100,000 net paid (A.B.C.), **NEW WORLD** circulation is now up 100% over its initial guaranteed level.

★MARCH 1940 — 50,000 Guaranteed
★JULY 1940 — 70,000 Guaranteed
★NOVEMBER 1940 - 80,000 Guaranteed
★JANUARY 1941 90,000 Guaranteed
★DECEMBER 1941 - 100,000 Guaranteed

Advertisers have invested close to $350,000.00 in NEW WORLD during its short career. They have done this because NEW WORLD'S editorial policy has established it as a popular magazine among people with an active and intelligent interest in the affairs of the Dominion. NEW WORLD portrays in the stimulating pictorial way every phase of Canada's life. Seldom before have the various aspects of this nation been interpreted more excitingly, whether it be in the realm of entertainment, sport, politics, or any other matter affecting our daily lives. And because NEW WORLD believes that the future will demand an international way of thinking, it devotes many of its pages to reviewing other parts of the world in which our destiny is being hammered into shape on the anvils of war.

No magazine throughout the whole history of publishing in Canada has achieved so much in so short a time. Nowhere can the advertising dollar be better spent.

THESE authors have contributed to NEW WORLD: J. B. Priestly • Morley Callaghan • Lord Kinross • Sir Philip Gibbs • Major Wayling • Sir James Dunn, Bt. Stephen Leacock • Vernon Bartlett, M.P., • Elissa Landi • Otto Strasser Margaret Kennedy • H. Agar • Dr. Richard Radler • Graham McInnes



The Editorial Page . .

War Plants and Taxes

Expansion of war industries owned by the federal government tends to aggravate a situation already onerous to many municipalities. A case in point is the recent acquisition by the government of the Dufferin Construction Co. which has a plant located on the Toronto harbor front. As a privately-owned enterprise this company paid municipal taxes to the City of Toronto; as a government-owned enterprise it may become tax free. Toronto may lose the revenue while it must continue to provide such municipal services as fire and police protection.

The same condition arises through establishment of plants by Crown companies within the limits of any municipality. Many of the large explosive and other specialty plants are self-integrated units, located purposely outside built-up centres. They provide their own supply of water, police and fire protection. But just as many new war plants are located within municipalities and, because they are Crown enterprises, do not contribute to the cost of municipal services.

It might be argued that where a war industry is established or where a plant is extended to engage in war work, the municipality gains largely through the increased employment and general stimulation of business. That point cannot be denied but it applies equally to the establishing of any industry, private or government owned, though only the former contributes municipal revenue.

On the other hand, where a municipality is put to additional cost to provide municipal services for these war industries, overhead costs mount rapidly and, in some instances, it will not be possible to reduce them after the war is over and these plants may have to close down.

The Sirois Commission report recognized the right of municipalities to secure payment for services rendered to government properties. Unless an equitable arrangement is worked out before the end of the war, many municipalities are going to be hard hit and those which have to pay municipal taxes are going to find difficulty in doing so.

Not Worth a Tear

Few tears have been shed over the bier of the Alberta Debt Adjustment Act of 1937, seventeenth of the province's enactments to be disallowed or declared ultra vires.

Objections to the act were based less on its terms than on its administration, which was essentially political, permitting undeserving debtors to welch on their creditors. Moreover, the Act did not permit any appeal from its decisions.

There is little doubt that as a result of the Act, a mortgage in Alberta has ceased to be a mortgage and has tended to become an unsecured debt. New lending has dried up, and housing accommodation as a result has become crtical.

Of the many morals to be drawn from Alberta affairs since Social Credit went in, we would suggest that these rank high in importance:

Don't interfere with private contracts between individuals. If intervention appears inevitable, perform the act once and for all, or at least make sure that if the interference is prolonged it is administered with strict impartiality.

Access to the courts should not be forbidden to any section of the community. If the use of the courts must be restricted for an emergency, full rights must be restored as soon as possible.

No final accounting of the gains or losses through the Debt Adjustment Act is yet possible. But it is most questionable whether the shutting off of a young province, rich in natural resources, from the flow of investment funds, can be balanced by any relief actually afforded to hard-pressed debtors.

Middle Class Doomed?

Professor Keynes, the noted economist, may be right when he said: Mr. Middle-Class Citizen is on his way out—a casualty of the war. The war has hit this type of citizen like a trip hammer. His income has shown no material change; his salary has been "frozen." No matter, he is expected to pay his heavily-burdened taxes, buy war bonds, war savings certificates, subscribe to auxiliary service funds, his community charity drive and, absorb the additional costs of living. He has been forced to eat into his small capital in order to keep up the outward appearance demanded of his station in life.

The middle class citizen is the very backbone of our present social system. He is a man conscious of his responsibilities to the community in which he lives. He belongs to the church; a service organization or two. He may have dependents other than his own family. His income is not large. Most of it is in the form of a salary. He buys life insurance and tries to put aside a little money each month for the time when he retires from work. He and the other members of his group are not organized; politically he is a nonentity.

At the other extremes of the social scale, there is the rich man and the working man. The rich man, too, has been hard hit by the demands of the present war. But he can keep his head above water. The working man, on the other hand, has been specially helped and protected by governments ever since the war started. He is organized, a political force, and in a position to have his demands heeded. His hours of employment have increased; his basic wage rate has advanced. He is given a cost of living bonus. Although he now comes within the direct tax paying bracket, it is plain that he will pay only a fraction of the tax demanded from the community as a whole.

Willing to Sacrifice

B. A. Trestrail, of the Canadian Radio Corp. Ltd., echoed the sentiment of a growing number of thinking Canadians last week when he urged an immediate national swing behind an all-out war effort. Just returned from a transcontinental trip across Canada, on which he heard opinion from a real cross section of the people, Mr. Trestrail told a Toronto Kiwanis audience:

> "We want action! We want patriotism instead of partyism—nationalism instead of sectionalism! We want to be led—to be inspired—to be directed! We'll submit to regimentation, regulation, restriction, sacrifice and even privation if it's intelligent, universal, efficient and understandable.
>
> "Whether it's going to take two years or ten years to lick Hitler, we are prepared to postpone the purchases, plans and pleasures to which we are accustomed if it will help shorten the war and ensure victory."

And Mr. Trestrail was specific regarding immediate needs. "We want," he says, "no more pussyfooting," but a definite, clear-cut programme on labor, taxation, rationing, savings, production and conscription. With such a plea many serious-minded Canadians will be in strong agreement.

Shortage of Accountants

Canada is experiencing a scarcity of many types of workers. One of these—and one of the hardest to satisfy—is a shortage of qualified chartered accountants that is steadily becoming more acute. Now chartered accountants are trained professional men. It is not possible to turn them out in a hurry. It requires education, apprenticeship and extensive training to get a C.A. degree in Canada. When obtained it is valuable—it commands respect and indicates ability of a specialized type.

In a recent editorial, The Canadian Chartered Accountant stresses the real cause of the accountant shortage when it cited the case of an accounting firm which, seeking to arrange for the annual audit with one of its clients, was greeted with:

> "For heaven's sake please postpone it as long as possible; we have just finished with the fifth set of government auditors and our accounting department wants to get caught up with its work."

There is a growing overlapping and duplication of government audits of all types of business, an overlapping that is costly to the government and to business. There are squads of government auditors who investigate the sales tax, income tax, foreign exchange and war contracts. Now comes a new set of wage and price regulations, again requiring an investigation and policing staff. The provinces have their own set of auditors working on taxes. There seems no end to the burden on business—and the drain on the supply of qualified auditors.

True, total war cannot be fought without regimentation but it will be natural for tax payers to wonder whether a better co-ordination of services and controls would not relieve much manpower and energy for more productive work. We seem to be using too many policemen and, in the case of the accountant, highly trained policemen at that.

The Canadian Chartered Accountant suggests that greater use should be made of the internal auditors employed by practically all businesses. It is suggested that this practice is increasing in Britain and that it would permit a better and more thorough check than the superficial one that government auditors are often forced to make. The suggestion is advanced as a means of relieving the strain on business and the government, not as a means of eliminating the government's right of review and checking wherever thought necessary.

War of Substitutes

This is a testing time for the ingenuity of the manufacturer. We are not a self-sufficient nation. It is necessary to import materials from the four corners of the earth to meet our everyday needs. Some we can do without; others are essential. Under wartime conditions more than one of these essential materials cannot be had. Substitutes must be found. They may not be as good in the beginning, but they will just have to do.

Real silk is no longer available, but we have cut down the tree in the forest, converted it into pulp and in turn made it into rayon; a satisfactory substitute. We have taken air, water and coal and made Nylon, another substitute for silk, and even bristles. Plastics are being developed as a substitute for rubber. There is also a synthetic rubber. There are substitutes for kraft paper. There are substitutes for leather and even for wool. The list could be greatly extended. A few have been mentioned to show the progress which has been made in recent years; the war will stimulate and add greatly to our list of substitutes for natural products.

The ingenuity of the manufacturer or industrialist will come into play during this war, just as it has in other wars. It is well to remember that many of the materials now classed and used as standard raw materials were developed as substitutes during the last war.

Editorials in Brief

In trying to split open United States warships Jananese bombs have solidified American public opinion, something even Roosevelt was unable to do.

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Although the Canadian troops now in Hong Kong only left this Dominion a few weeks ago, they are the first soldiers from Canada to engage an enemy in this war. It is a case of the longest way round being the shortest.

• • •

War makes for more business, but it also takes its toll of business leaders. Reams have been written as to the effect of war on business, but little or nothing on casualties. The deaths of several prominent business men over the past year can be attributed most directly to the extra strain of present day conditions. Many more have had breakdowns; still others have been forced by their doctors to take things easier.

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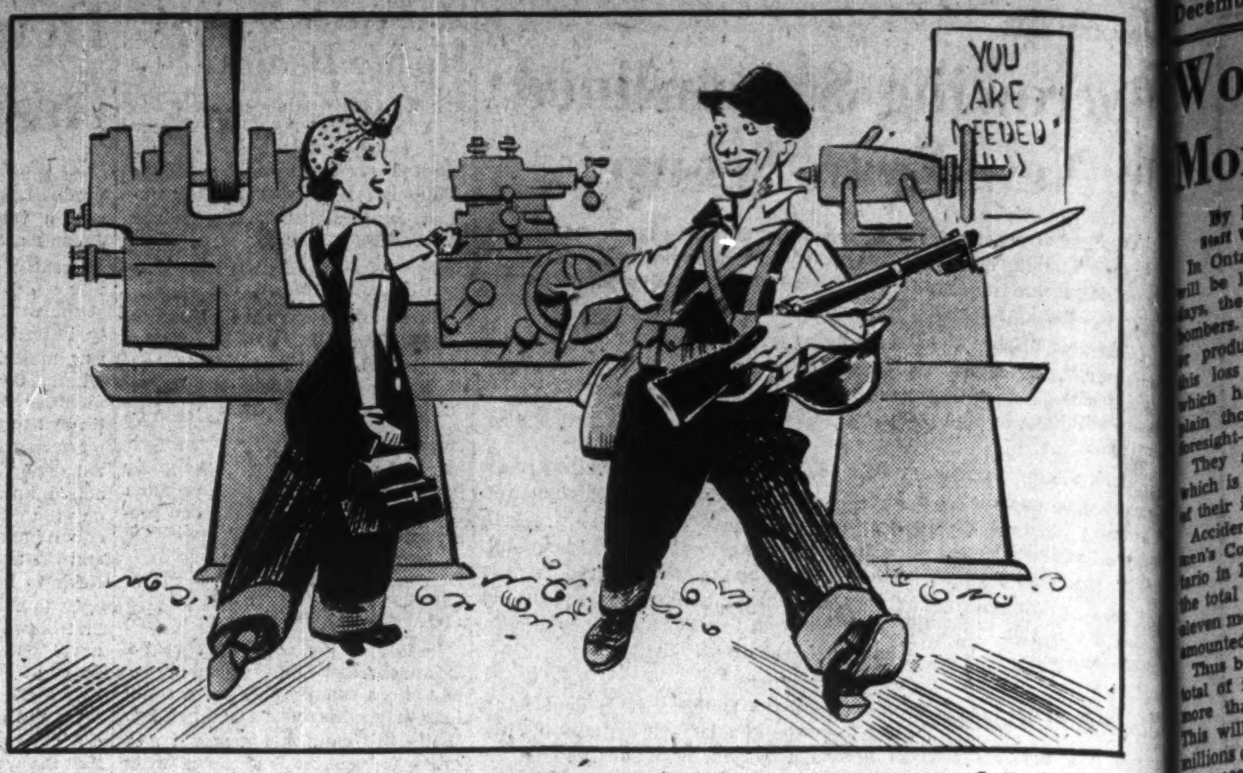
Senators, members of parliament, their wives and families are going to receive a shock if they expect to use their railway passes to do any travelling between December 21 and January 6. Their passes won't be honored. During that period the railways expect to handle the greatest mass movement in their history, for members of the armed services will be travelling to and from their homes during the special five days' leave. Every piece of equipment will be needed and pass holders have been or will be notified their privileges have been suspended for the period. Even railway employees won't be able to travel "deadhead," nor will they be given the privilege of purchasing tickets at half-fare.

• • •

The average employee of Dominion Foundries & Steel Ltd. who has been with the company over the past four years, and has been eligible to contribute, now has a balance to his credit in the company-sponsored savings fund of $1,100. Total in this fund is over $1 million. A worker in D. F. S. knows, as do few others, to what extent his job over the past two years has been to turn out war materials for Canada and her Allies. He has done this job well. But through the leadership of the company's management he has also laid up for himself substantial savings which can tide him over the inevitable shock which the war's end must bring to such a business. It is indeed an example that gives credit to worker and management alike.



"O.K., SIS, IT'S ALL YOURS NOW"

—Cartoon by Grassick.

Post-Scripts . . . .

Watchdog on Exports

John Maurice Evans' appointment as chairman of the new Export Control Committee fills one of the most important positions in the economy controls set up in Ottawa. In effect he will be the watchdog to see that Canadian products do not find their way into enemy hands and also to protect Canada's export trade.

Officially, Jack Evans' job will be "the reorganization of Canada's export control machinery." Hitherto control over exports has been maintained by the export permit branch of the Department of Trade and Commerce. That is a very essential job. But the trade promotion work of Hon. J. A. MacKinnon, especially in the South American countries, has brought up the point that while we cannot spare certain products, still there are others which the public can give up to make them available for export. To that end, the Minister said, "Mr. Evans will administer control of exports in order to protect the Canadian public and manufacturers against serious loss of export markets."

JOHN EVANS
William Notman & Son.

Jack Evans brings to his new task a fine academic and business training, combined with more than an average share of common sense. English-born, he was brought to Canada in 1907 at the age of two. He received his education in Montreal and graduated from McGill University in 1929 with a degree in electrical engineering coupled with so many prizes and scholarships to his credit that one wondered if there were any other students in his class.

He was first employed by Canadian Marconi Co., then by Canadian International Paper and finally by Shawinigan Water and Power Co. After working with the latter company on system planning, pole lines, transformers, etc., he joined the Department of Development. Here he received an intensive training in the establishment of new industries, especially the location in Canada of foreign branch plants. This gave him an intimate knowledge of foreign trade, as well as the problems of Canadian manufacturers. In 1939 he was a member of the war mission sent to England by the Canadian Manufacturers' Association under the sponsorship of the Canadian government.

Tall, gaunt and dark of features, Jack Evans will serve as a dollar-a-year man, his services having been loaned to the government by the Shawinigan Water and Power Co.

• • •

3,000 Office Wives

Meet William Roberts Mitchell, the man with over 3,000 "office wives!" That in itself is a big job, but Billy Mitchell also has to look after some 4,500 male employees of the Royal Bank of Canada for he has just been appointed to the important post of Supervisor of Staff.

His job is to keep the affairs of the Royal Bank family running smoothly. It is a family not only big in numbers, but scattered throughout Canada, Newfoundland, Great Britain, United States, the West Indies and South America.

W. R. MITCHELL

Staff matters come easily to Billy Mitchell. He served his apprenticeship as staff officer with the bank first in the Quebec district and later in the Maritimes, operating out of Halifax.

He knows the ins and outs of banking. He joined the bank as a junior at one of the Ottawa branches in 1923. During the next twelve years he served in various branches and gained a full knowledge of ledgers, trial balances, drafts, trade bills and all the other intricacies which fall to the lot of the young banker.

The new Supervisor of Staff is only 33 years old and claims the small Scottish town of Milngavie (pronounced Mulguy) as his birthplace. He came to Canada at the age of six, or at least he was brought out by his parents. There is little about him to remind one of his Scottish ancestry. There is no trace of accent in his speech, nor has he ever tossed the caber, done the Highland fling or played on the pipes. But he does confess to a hankering for curling, so that there is still hope for him as a Scotsman.

The staff over which Billy Mitchell has supervision is now more than 40% women. In normal times the proportion of men to women is about 75 to 25. But the war has changed all that. More than 1,050 of the Royal Bank of Canada have enlisted in the armed services and, in many instances, their places have been filled temporarily by women.

• • •

B. C.'s John Hart

The ebb and flow of the political tides have swept into the premiership of British Columbia one of the men who least expected the office—canny, thoroughly orthodox John Hart, the white-haired Irishman from Victoria who served as finance minister in half a dozen cabinets since the days of Honest John Oliver.

In fact, John Hart has placed his personal stamp on the administration of B.C. finances so indelibly that in the new cabinet which at this writing he is endeavoring to form—he is almost certain to continue as master of the treasury.

JOHN HART

Mr. Hart owes his present position to the election of last October which split the three major parties so wide that no one group was able to command a majority. But Hart might still be only a finance minister if T. D. Pattullo had yielded to the popular demand for coalition government. Instead, Pattullo preferred to "go it alone," with the result that he was ultimately repudiated by his own party association and later by the Liberal caucus which voted in favor of John Hart, and it will be the latter who will head the coalition of Liberals and Conservatives.

What sort of government Mr. Hart will give remains to be seen, but on the record it should offer no cause for worry to the business man and the financial world. Mr. Hart is a sound money man, jealous of B.C.'s credit, a sworn enemy of economic reform, debt default and funny money.

But he is progressive enough to realize that government policy must be flexible to meet the changing demands of the new order. He told the Liberal convention that chose him for leader that government must be "streamlined and revitalized to deal with post-war problems."

Born in old Ireland 62 years ago, John Hart came to Canada as a young man and in Victoria entered the brokerage and insurance business. He was a partner in the financial firm of Gillespie, Hart & Todd when the late Harlan Carey Brewster and John Oliver were thumping the war drums for the election campaign of 1916. Hart was one of the four Victoria candidates and was elected in the landslide that swept the Bowser regime into oblivion.

When Ralph Smith, Brewster's choice for finance minister, died during the early days of the new Liberal government his mantle fell to Hart and, except for the interlude during which the Conservative government under the late Dr. S. F. Tolmie held the reins of office, he has been finance minister ever since. He has presented fifteen budgets during his long career in the house and while his methods were often criticized he won the reputation of "financial wizard" and the general acclaim of the investment world.

It is to Hart's credit that he early recognized the error of Pattullo's opposition to the Sirois report at the ill-fated Ottawa conference. He was among the first to try to retrieve favor for the Liberals by announcing financial co-operation with Ottawa for the duration of war.

White-haired even in his thirties, John Hart looks little older today than he did when he first joined the government in the days of the last war. He has a way of making and keeping friends even though he has developed a tough fibre from saying "no" to ministers seeking appropriations.

When not at work in the parliament buildings he likes to relax on the sea-girt Oak Bay golf links. He has often won the senior golf championship of the Pacific northwest.

The Farmer and Pegged Prices

The government is to be commended over their endeavor to prevent inflation by pegging prices, but in this connection it would hardly seem fair to peg farm prices at the present levels, nor would it be in the interests of maintaining a high level of production.

Farmers have taken a great licking for many years, and the prices now obtained for their products, are generally still below pre-depression levels.

It is true that consumers in many cases, appear to be paying sufficient for their food, but the trouble is that there is a wider spread between the price netted to the producer and that paid by the consumer, than ever before.

The various middlemen are probably not making more than formerly, but then they are subject to increased taxes, additional license fees, union or minimum wages, hours of labor and other increased costs, so that they are obliged to pay less for farm products.

At any rate, it is most necessary to get agriculture back into a healthy condition; for the development of a sound rural population, leads to stability in national affairs; whereas an unprosperous agricultural population become supporters of various radical movements.

Therefore bearing in mind the present condition of agriculture, it would seem that equality of sacrifice should be recognized in relation to pegging.

L. F. SOLLY,
Lakeview Farm, Westholme,
Vancouver Island.

"Voluntary system is the best system provided the volunteers are obtained, but if we do not obtain them?"—*Brigadier Georges Vanier, O. C. Military District No. 5.*

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Other People's Views . . . .

The Canadian Editorial of the Week

Government's Responsibility

Country Guide, Winnipeg

Who can tell what policies will be forced upon us by the exigencies of war? The government's responsibility is clear. It is to be as fully prepared for any emergency as is humanly possible and should the emergency arise, to act with promptitude, authority and finality.

No report to the country is necessary. Under the powers it has already taken the government can call up and train men as rapidly as equipment and officers can be provided. A reserve of trained and equipped men can be created just as rapidly as if conscription for service anywhere were already in full force and effect.

The government and the elected representatives of the people in parliament have the authority to take any measures necessary in times of national peril. If conscription becomes necessary they must not shrink from using that authority.

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As Others See Us

Going Higher

Sudbury Star

Canada has agreed to pay the entire cost of the Royal Canadian Air Force squadrons operating in Britain, according to The Financial Post. This single item will add some $200,000,000 a year to the Canadian budget.

In these times no one seems to worry about a few hundreds of millions one way or the other. Still, the sum of $200,000,000 is practically half of the total national budget before the war. Canada will be glad to pay it and should pay it. But we had better realize that this single item adds to our costs more than we shall take in through our entire war savings campaign.

Other expenses are going up steadily in the fighting services as they continue to expand. The next budget inevitably will show a large advance and that means Canadians must dig still deeper into their pockets. They are going to get the kind of war effort they demanded. They must pay for it. And to do it they must support the war savings campaign to the hilt.

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What's Ahead?

Prince Rupert Empire

Floyd Chalmers of the Financial Post, describing a flight to Lisbon, tells of having conversed with the captain of the Atlantic Clipper who said that he already considered air travel verging on the obsolete.

"You and I won't live to see it," he said, "but the day is coming when scientists will devise a new mode of travel. They'll do to the human body what they now do to the voice. They'll just turn it into an electric beam or ray of some kind, send it across the Atlantic instantaneously, and then unscramble it the way they do with a wireless telephone message, and turn you back into yourself again—clothes, baggage and all."

Try that on your piano.

• • •

Revolutionary Control

Hamilton Review

The Financial Post, it seemed to us, struck the note of uncertainty that is the probable reaction of the average citizen who does not fully appreciate the intricacies of economics involved in such revolutionary action. It stated:

"It required courage on the part of Prime Minister King and his cabinet to take the stupendous step announced in the radio broadcast of last Saturday.

"No country outside of Germany has ever attempted such a programme. It is a leap in the dark. It is like trying a musical symphony for the first time and without benefit of rehearsal.

"The practical question, of course, is: Will it succeed?"

The Post doesn't say whether it will or not. And the practical answer to the practical question probably is that we will have to wait and see.

In its editorial columns, The Post sees the only hope of success in the enforcement of the regulations and the enlightenment of the public on all phases of the programme.

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We Can't Afford It

Country Guide, Winnipeg

A. D. Ellwood, investment editor of The Financial Post, points out that the stock market has not yet begun to capitalize wartime "busy-ness." Interest rates are low and are likely to remain so, yet the stock market remains dull and weak while stocks can be obtained that will yield two or more times the amount that bonds will yield. The market has not generated enough power to make the ordinary street car conductor or working man buy stocks, as has been the case in previous periods of comparable prosperity.

Good! The ordinary street car conductor or working man is putting his spare dollars into War Savings Certificates instead of into margins. To the multiple curses of war we do not want added the curse of another stock market boom. It would be like an extravagant drunk, with nothing to show for it the next morning but a headache, and the country will have financial headaches enough before this war is paid for.

"Civilization will not be destroyed so long as men who will not be beaten cannot be beaten."—*Tom J. Davis, President, Rotary International.*

What the Papers Are Saying

Canada's Great Experiment

Investors Chronicle (London)

In striking contrast to the Australian budget is the Canadian anti-inflation plan introduced this week. The plan embodies four principles: (a) Extension of the cost of living bonus from wartime industry to industry generally, (b) award of cost of living bonus on mandatory basis, (c) imposition of penalties for infractions by employers, and (d) establishment of national and regional wartime labor boards. Basic wages thereafter can only be raised by written permission of the National War Labor Board, but a sliding scale is laid down under which the wages bonus will rise with the cost of living.

The scheme is in contrast with our own policy of allowing wages free rein while subsidizing the cost of living. It certainly appears more honest and straightforward, and its functionings will be watched with the greatest interest.

Toronto Telegram

The effect of price control will be to compel business men to cut non-essential costs to the bone and force the primary producers, including the farmers, to take less for the goods they offer for sale. The government's tax revenue from business will fall, dividends will be reduced. There will be interference in private affairs which has not been seen before. But we have no doubt but that Canadian business men will accept these things as necessary in the present emergency. The final results on the country of uncontrolled inflation would be far worse.

Sayings of the Week

"The danger of delay is a fearful thing. Time is not on our side." — *Grattan O'Leary, recently returned from tour of Britain.*

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"If we can't lick John L. Lewis, how can we hope to handle Hitler!"—*W. D. Fuller, President, U. S. National Association of Manufacturers.*

• • •

"With confidence in our armed forces —with the unbounding determination of our people—we will gain the inevitable triumph — so help us God." — *President Roosevelt in announcing war with Japan.*

• • •

"Perhaps the most important objection to inflation is the fact that it creates an economic injustice. Inflation means a reallocation of goods and wages that is likely to be highly inequitable."—*Professor A. F. W. Plumptre.*

• • •

"Up to the time of the German invasion of Russia (June 22) bulletins issued by the Nazi land armies were generally dependable. Since that date they have been irresponsible and often fantastically exaggerated." — *William L. Shirer, author of Berlin Diary.*

• • •

Stop Me If . . . .

Two Germans, walking in the streets of Berlin, met an attractively dressed woman. One of them remarked on her striking appearance.

"Why shouldn't she be well dressed?" replied the other. "Gown from Paris, stockings from Belgium, shoes from Denmark, furs from Norway."

The first, "What, nothing from Russia?"

The second grimly, "From Russia? Yes. Mourning veil from Russia."

Work Cost of Accidents More Than 100 Bombers

By ROBERT C. STARK
Staff Writer, The Financial Post

In Ontario alone this year there will be lost, in terms of working days, the equivalent of 100 heavy bombers. Not by sabotage, strikes or production tie-ups will come this loss but through a medium which has as its chief weapon plain thoughtlessness and lack of foresight—industrial accidents.

They are increasing at a rate which is especially serious because of their impact on the war effort.

Accidents reported to the Workmen's Compensation Board of Ontario in 1939 totalled 53,110; in 1940 the total was 81,116 and in the first eleven months of this year accidents amounted to 103,552 cases.

Thus by the end of this year the total of industrial mishaps will be more than twice the 1939 figure. This will mean a loss of some 10 millions of working hours, enough to build 100 heavy bombers. It is the time equivalent of 5,000 men working continuously for a whole year.

Much of this loss of precious working time, much of the loss of increasingly scarce manpower can be prevented by precautions and proper supervision.

War Effort Cause

Part of the increase in accident toll in the past two years is, of course, accounted for by the fact that the tempo of industrial activity has stepped up. More machines are in operation, more men and women are working.

Part of the increase can be directly attributed to the war effort. The need for speed. More green workers. More thoughtlessness because of a conviction that in times like these, jobs are easy to find. Less attention to work because of more money to spend in the evening.

In the first World War studies made in Great Britain and in the United States showed that workers in munitions plants produced 20% to 30% more in a short work-day than in a 12-hour day.

New Workers Problem

Introduction of many new workers to operations with which they are unfamiliar has also had the effect of increasing the accident hazard. Proper training is the only answer to this problem. Technical and trade schools are making efforts to impress the necessity of safety upon their pupils who will shortly graduate into the industrial world. The same type of training is being carried out by individual companies.

Can Be Reduced

It has been abundantly proved that accidents can be reduced.

A recent analysis shows that 20% of industrial accidents are chargeable wholly to correctable physical hazards, 20% entirely to human faults. In the remaining 60% there are both correctable physical hazards and human faults. In other words, in 80% of the industrial lost-time accidents a correctable physical hazard is either the sole or a joint cause.

There are Canadian companies that can present records of as much as 3 millions accident-free hours. What that means can perhaps be best realized when it is considered that it takes more than 400 men working an average of eight hours a day for 300 working days out of the year to equal 1 million man-hours. These are not firms in safe or preferred industries. They are well-known, large operators in such diverse fields as tire making, wine milling, telephone industry, building materials, soap manufacture, etc.

While the war has added some new angles to the industrial accident picture it is, generally speaking, the same old causes that create accidents and cut into Canada's war effort by laying up workers.

Where accidents occur may be learned from the break-down in the report of the Ontario Workmen's Compensation Board covering 1939 (latest available):

Type:	Number
Power equip., including motors, shafting, belts, etc.	862
Working machines, including abrasive wheels, drilling machines, lathes, presses, saws, etc.	9,807
Hoisting apparatus, including elevators	919
Dangerous substances (hot metals, steam, acids, elec. current, etc.)	2,120
Stepping on or striking against objects	2,864
Falling objects	3,112
Falls of persons	7,780
Handling of objects	10,727
Tools	5,194
Motor vehicles, wagons, trucks, trains, etc.	4,831
Flying fragments	3,440
All others	1,454
Total	53,110

Supervision Prerequisite

The dominant feature of proper accident control is supervision and one of the most obvious things about the average accident is that it was not really an accident, but simply a perfectly normal sequence of cause and effect.

The Industrial Accident Prevention Associations list 114 hazards in industry. These are not unusual hazards, nor is it a complete list.

There were 10,727 Ontario workers injured while handling objects in one year. Many, if not most of those accidents could have been prevented if proper thinking had been done in advance. Provision of suitable hand protection, instruction in the proper rolling of drums and lifting weights plus the workers' co-operation would sharply reduce this item.

Falls, which caused 7,780 accidents, result from the same things as have pestered careless man for ages: slippery floors, scattered rivets, bolts, etc. Worn ladders, carelessly put up ladders—all preventable, all unmysterious—all damaging to the war effort.

Women More Careful

The increasing shortage of manpower has brought more women into industry. While women are naturally employed on lighter work than men, their accident record is better. In 1939 women in Ontario industry accounted for only 3% of those accidents which caused disabilities lasting seven days or longer. Approximately 25% of all employees are women.

Essentially it seems that women workers are more careful and more conservative than are men. Experience has shown that women excel in work requiring care and constant alertness, good eyesight and the use of light instruments.

Women in industry create, not new safety problems, but the necessity to apply even more strictly the same principles that hold good for male workers. Provision of close-fitting headgear to guard against hair being caught in moving machinery, suiting of the woman's physique to the job, seating arrangements at work are all factors that require increased attention.

Holding the investigation before the accident, not after, is the method of preventing an industrial casualty which may be just as important as a casualty on the field of battle.

The Week in Business

Current business as measured by the D.B.S. index of business activity showed an increase of 2% to 116 in week ended Nov. 29, and a gain of 9% over the same week of 1940. Marked gain was registered in railway traffic movement and bank clearings. Wholesale prices and bond yields were steady while common stock prices eased slightly.

Coal production in October was 8% ahead of a year ago. In first 10 months output was up 3.7%.

Passenger car sales dropped 20% in October from a year ago. For year to date decline is 10.5%.

Railway carloadings in year to date show a gain of 13.9% over same period previous year.

Railway gross traffic earnings for year to date: C.N.R. up 23.9%; C.P.R. up 29.5%.

Pig iron production was 26% higher in October and 14% higher for the first 10 months. Steel ingots and castings production increased 22% in October, 19.5% in year to date.

Flour production declined 15% in October. Gain in first 10 months over year ago is 26.8%.

Trend of business shown by The Financial Post Business Index and key factors follow. New items marked thus ■

WEEKLY INDICES

TREND OF BUSINESS—	Nov. 29	Nov. 22	Nov. 15	Nov. 8	Nov. 30/40
Weekly index of business, D.B.S.	116.0	113.7	114.2	112.2	106.4
Commodity prices, index no.	93.9	93.9	940	94.0	84.1

MONTHLY INDICES

	Nov.	Oct.	Sept.	Aug.	Year Ago
The Financial Post business index	....	*168.0	167.4	162.5	151.7
■National Income, D.B.S.•	....	b440.9	446.4	442.9	426.7
■Retail sales index no.	....	138.0	136.4	146.5	120.1
Dept. store sales index no.	....	136.4	136.6	146.1	120.9
■Wholesale sales index no.	....	170.6	170.8	156.6	143.4
■Country store (% change pr. yr.)	....	+8.1	+11.9	+11.3	+3.6
Divd. payment index‡	119.0	118.2	118.4	118.6	122.2
COST OF LIVING—					
■D.B.S. index	116.3	115.5	114.7	113.7	107.8
EMPLOYMENT INDEX Nos. D.B.S.					
All industries	....	....	162.7	160.6	131.6
Manufacturing	....	....	181.5	176.9	138.4
Payroll index (a)	....	....	175	173	134

	1941	1940	Jan. 1 to date 1941	Jan. 1 to date 1940	% Change
RAILWAYS—					
■Carloadings (week Nov. 29)	69,097	61,121	2,957,121	2,595,725	+13.9
■C.N.R. gross (week Nov. 30) $	7,937,265	7,186,899	276,365,507	223,790,338	+23.9
■C.P.R. gross (week Nov. 30) $	5,840,000	5,216,000	200,242,000	154,629,000	+29.5
C.N.R. net revenue (Oct.) $	6,038,729	5,241,322	54,628,055	33,209,638	+64.4
C.P.R. net revenue (Oct.) $	5,937,888	5,470,639	35,665,559	25,760,614	+38.5
IRON AND STEEL—(October)—					
Pig iron production (tons)	137,114	109,385	1,082,222	948,841	+14.0
Steel ingots and castings prod. (tons)	225,853	185,081	1,971,909	1,649,639	+19.5
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* ... (Oct.)	3,879	4,827	76,390	85,398	—10.5
Factory output .. (Oct.)	5,635	7,056	80,391	87,552	—8.2
Trucks and Buses:					
■Domestic sales ... (Oct.)	1,848	1,665	30,436	25,093	+21.3
Factory output .. (Oct.)	13,725	14,095	148,182	88,481	+67.5
Financing:					
Used (Oct.) $	3,192,669	3,312,672	45,413,191	36,178,186	+25.5
New (Oct.) $	1,598,040	2,156,746	32,312,230	28,059,646	+15.2
CONSTRUCTION—					
Contracts awarded .. (Nov.) $	22,889,500	54,981,900	374,881,400	329,091,500	+13.9
Cement prod., bbls. (Sept.)	1,008,741	908,630	6,281,340	5,528,618	+13.6
AGRICULTURE—					
■Flour prod., bbls. .. (Oct.)	1,595,931	1,872,514	17,229,805	13,590,356	+26.8
Flour exp., bbls. .... (Oct.)	441,067	750,193	9,922,442	5,942,573	+66.9
Wheat exp., bush. .. (Oct.)	11,840,587	9,658,887	156,270,245	110,129,700	+41.9
■Cattle sales▲ (Nov.)	131,067	123,596	1,123,504	1,062,519	+5.7
■Hog sales▲ (Nov.)	704,140	654,218	5,627,343	4,766,632	+18.0
SEA FISHERIES—‡					
Catch cwts.▲ (Aug.)	1,794,800	1,336,300	7,070,600	7,492,000	—5.6
Landed value (Aug.) $	4,991,500	2,975,000	17,495,830	12,730,200	+37.4
NEWSPRINT—					
Production, tons .... (Oct.)	318,787	309,957	2,824,734	2,883,562	—2.1
Exports (Oct.) $	15,380,000	13,129,000	128,589,000	123,139,000	+4.4
MINING AND OILS—					
■Coal prod., tons .... (Oct.)	1,867,666	1,734,009	14,535,316	14,017,445	+3.7
■Coal import, tons ... (Oct.)	2,898,383	1,594,611	17,179,698	15,243,177	+12.7
Gold rec., fine oz. . (Sept.)	396,662	372,188	3,820,603	3,662,991	+4.3
Crude oil, imp gals † (Sept.)	196,764	156,319	1,203,964	1,060,535	+13.5
ELECTRIC POWER OUTPUT—(October)					
Total monthly 1,000 kw.h.'s	3,140,317	2,487,455	27,040,578	24,971,047	+8.2
FOREIGN TRADE—♦					
Imports (Oct.)	$140,819,038	108,844,852	1,188,715,434	877,364,556	+35.4
Exports (Oct.)	$139,677,763	106,790,810	1,324,284,800	976,102,781	+35.6
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp: 1,000 bd. ft. (Oct.)	233,280	241,494	1,960,095	2,029,857	—3.4
Shoes, prod., pr. .. (Sept.)	3,027,252	2,484,668	23,833,552	19,454,317	+22.5
Cotton consump., lb. (Oct.)	18,341,242	16,662,648	165,591,120	158,161,618	+4.7
Raw rubber imp. lb. (Sept.)	38,293,221	6,061,154	127,255,620	68,083,514	+86.9
Cigarette cons., No.† (Oct.)	844,292	747,064	7,107,785	6,312,136	+12.6
■Sugar manufactured .. lb.§	162,213,036	174,045,529	941,580,290	886,565,423	+6.2
FINANCE—					
Bank debits† (Oct.) $	3,627,177	3,526,625	32,129,505	28,179,805	+14.0
Bond sales† (Oct.) $	341,700	112,136	2,169,983	1,855,122	+16.4
Life insurance sales (Oct.) $	41,740,000	31,210,000	336,759,000	298,591,000	+12.8

*D.B.S. All Canada figure covering 90% of the Canadian Total.
‡Unrevised figures covering N.S., P.E.I. N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■
†000's omitted. §For four weeks to Nov. 1. ♦Gold excluded.
•Millions of dollars. *Final. ‡Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce. (b) Priliminary.

Grain Movement by Boat Takes Season-end Spurt

From Our Own Correspondent

WINNIPEG.—Movement of grain down the Lakes took a sudden spurt in the last few days of November under pressure from vessel owners and shippers to get a final trip made before the increase of insurance rates Dec. 1, and with the arrival in the grain trade of a considerable number of vessels which had been carrying ore until freezing weather, making difficult the handling of ore from the Minnesota iron mines, brought that business to an end.

During five days 71 vessels cleared with nearly 18 million bushels of grain, and 40 of these sailing on Saturday and Sunday with slightly over 8 million bushels.

Insurance rates increase again on Dec. 5 and are no longer available after Dec. 12. Grain shipments are expected to continue until the latter date and there will be some subsequent loading of vessels to tie up with grain in winter storage. The number of vessels available for winter storage of grain on upper and lower lakes will be smaller than last winter, because a considerable number of lake vessels are due to enter Atlantic coastwise service as soon as lake navigation closes. In that work they will release other vessels more suitable for trans-atlantic work.

Public Utility Earnings

East Kootenay Power
October

	1941 $	1940 $
Gross earnings	50,398	50,885
Oper. expenses	20,933	16,302
Net earnings	38,465	34,583
Seven Months Ended October		
Gross earnings	400,475	360,343
Oper. expenses	133,822	120,089
Net earnings	266,853	240,254

Inter-State Royalty Reports on Position

From Our Own Correspondent

MONTREAL.—Inter-State Royalty Corp. reports that at Oct. 31, 1941, investments in all royalties had a book value of $1,090,643. Gross revenue from royalty income since acquisition amounted to $490,862 up to September 30 and reserve for depletion totalled $134,310 to the same date.

In September the company had a gross income from royalty and rentals amounting to $1,815, while accumulated income from the same sources for 1941 up to the end of September, amounted to $35,917.

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CANADA'S NATIONAL FARM MAGAZINE
MONTREAL - - CANADA

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In war as in peace, the home is still the foundation of our way of life—and life insurance is the corner stone of the home .... Only through life insurance can the average citizen provide the financial security so vitally needed for himself and his dependents .... Only through life insurance can he create an immediate estate on the instalment plan —and make sure that his family will be independent of private charity or public relief .... By insuring freedom for his home, he also helps insure freedom for his country, because millions upon millions of life insurance savings are invested in national war loans—aiding Canada in its fight for Victory.

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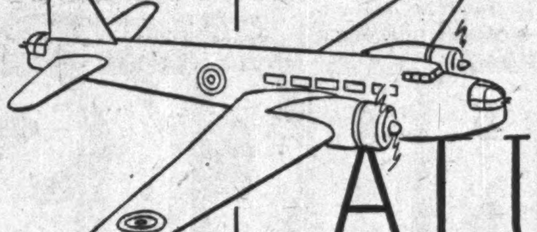

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With the thunder of war, dire emergency focussed the eyes of the Empire on aluminum, the metal indispensable to modern aerial and mechanized warfare. The immediate call was for planes by the thousand and tens of thousands to meet and defeat the Luftwaffe. Aluminum with which to build them must be found and the Aluminum Industry went all out to provide it. Peacetime markets developed through years of study and sales effort were given up as "Aluminum for War Needs Only" became the rallying cry.

Under this war impetus production mounted quickly to record heights. As fast as plant, men and materials could be obtained they were swung into fulltime action, triple-shift, every day of the year. Today, as a result of this unremitting drive, aluminum production has increased more than five times its pre-war peak, and still is surging upward.

The public knows what this has meant to our aircraft output; how it is enabling our airmen to carry the fight to the enemy with ever-mounting power. It is not so well aware however, of the vital role aluminum plays in other branches of our fighting services. Our army and our navy depend on it for pistons and for cast, forged, stamped, welded, rivetted and formed parts that go into the building and powering of ships and mechanized equipment. And these applications multiply as we swing into victory's stride.

Aluminum in its civilian forms has passed for the time from the picture; for the very factors that make it so desirable for home and peacetime industrial use — its lightness, strength and workability — are the very factors that make it indispensable to our country's war effort.

The information in these advertisements is given to the people of Canada so that they may know of the wartime activities of the aluminum industry and why its production is vital to victory. When the war is over, Aluminum Company of Canada, Limited promises its old customers in the homes and industries of Canada, that it will again devote its efforts to making aluminum for peacetime uses.

ALUMINUM COMPANY OF CANADA, LIMITED

Quebec Power Sales At Peak

Firm Power Sales Dominion's Highest

From Our Own Correspondent

MONTREAL.—Sales of electrical energy by Quebec utilities for the current year to the end of September were just short of $50 millions, the highest figure ever reported by the industry, according to returns released by the Quebec Public Service Board.

At the time of the outbreak of war Quebec utilities were in the fortunate position of having a large surplus of power. Not only were they able to take care of the rapid increase in demand from established industries, but they were able to provide large blocks of energy for new war plants.

So rapid has been the increase in demand the power companies have found it necessary to discontinue deliveries of secondary power to electric boilers. Further the additional production from new plants and additions to old ones has been taken up almost as fast as it was made available.

As a consequence sale of energy on a firm power basis in Quebec is now considerably larger than in any other province in the Dominion.

This state of affairs is reflected in operating returns of the companies, especially for the current year.

For the first nine months energy generated in Quebec totalled 12.7 billion kilowatt hours, a gain of 4.3% over the like period of last year. This does not tell the full story. Primary sales of electrical energy in the province this year have increased 30.9% over the same period of 1940, reflecting the industrial war demand. At the same time and in order to make this showing possible, secondary sales, particularly for use in electric boilers, declined 55.9%.

Summary of Sales

A summary of production and sales in Quebec for the January-September period of 1941, with comparative figures for 1940, follows:

Nine Months Ended Sept 30
(Thousands of Kilowatt Hours)

	1941	1940
Total output	12,712,589	12,194,964
Total sales	12,002,350	11,534,602
Primary sales (Quebec)	7,889,847	6,031,315
Export (primary)	2,997,020	2,970,351
Secondary sales (Que.)	1,115,482	2,532,936

The change which has taken place in sales of primary energy in Quebec this year is most enlightening as to the effect which war has had on operations.

For example the industrial power load for the current year to the end of September was 33.8% greater than for the corresponding period in 1940.

Wholesale sales to municipalities increased by 18.5%, due almost entirely to the fact that water conditions during this period were exceptionally poor and municipal systems had to depend upon the large privately-owned power companies for energy to meet their requirements.

War's Effects Widespread

Sales of primary power to transportation companies increased 4.5%, reflecting the sharp increase in volume of employment and the greater use of tramways.

Greater purchasing power and increased retail sales find reflection in an advance of 8.8% in primary power sales to commercial users.

Even the domestic field did not go untouched, as domestic sales to the end of September this year were 5.2% greater than a year ago.

Record Dollar Income

The heavy increase in power sales finds reflection in dollar revenues of the Quebec utilities. For the first nine months the operators had a gross income of $49,104,070, as against $43,913,324 in the same period of 1940, an increase of $5,190,746.

Of the income received the companies report to the Public Service Board that $41,510,623 was derived from sales within the province and the balance of $7,593,447 from export sales. Compared with last year revenue from export sales shows an increase of only 4.8%, while income from sales within the province increased by 13.0%.

Industry in Lead

A breakdown of the utility companies' revenue from Quebec sales reveals that the greatest improvement was recorded in industrial power sales. Wholesale sales to municipalities recorded the next best gain, followed by commercial and domestic in the order named.

Quebec Sales Detailed

The dollar revenue from sales within Quebec by classifications follows:

Revenue from Sales in Quebec
Nine Months Ended Sept.

	1941 $	1940 $
Domestic	6,606,633	6,408,160
Commercial	5,991,638	[illegible]
Industrial	26,356,953	22,251,570
Municipal	1,365,206	1,341,368
Transport	918,489	900,087
Wholesale to mun.	271,703	241,659
Total	41,510,623	36,671,485

New Record in Sight

Preliminary indications are that the dollar revenue of the Quebec power companies in 1941 will easily exceed $60 millions, and may run as high as $65 millions. This would compare with $59.4 millions in 1940 and $54.4 millions in 1939.

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Succession Duties

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Light, Fast Delivery, Medium Loads or Heavy Duty Hauling—there's a Fargo Truck to suit your needs and SAVE YOU MONEY!
There are 68 Chassis and Body Types and 12 Wheelbases to enable you to select a 1942 Fargo Model to suit your particular work!

BUILT IN CANADA BY CHRYSLER

Car Registrations Down 14% in Oct.

Sharp variance from the recent upward trend in new passenger car registrations in eastern Canada was experienced in October, according to reports to Canadian Automotive Trade. Registrations during the month were down 14% from October, 1940, which contrasts with an increase over the previous year of 54% in September and over 100% in August. Covering Ontario, Quebec and the Maritimes, the October figure was 2,974 compared with 3,484 a year ago, bringing total for the first 10 months to 57,821 against 62,954 in the same period of 1940.

Comparative totals of registrations during October and in the first 10 months of the year are as follows:

New Passenger Car Registrations in Eastern Canada

	October 1941	October 1940	Year to Date 1941	Year to Date 1940
Dodge	748	818	10,039	9,901
Plymouth	730	887	9,108	9,051
Chevrolet	668	671	13,115	12,554
Ford	268	121	9,288	9,174
Pontiac	166	51	5,343	4,182
McL-Buick	92	281	2,819	3,519
Mercury	64	58	2,491	2,268
Chrysler	49	28	186	2,319
De Soto	40	26	812	1,073
Oldsmobile	38	98	2,212	2,739
Hudson	32	144	634	2,452
Packard	27	32	312	8,052
Nash	22	28	633	375
Studebaker	19	83	458	1,718
Willys	8	25	149	558
Cadillac	8	33	222	206
	2,974	3,484	57,821	62,954

In the Mail

Doing a Grand Job

Editor, The Financial Post:

I read your paper every week and have the greatest regard for your editorials. You are doing a grand job. There MUST be a change of heart among businessmen if we are going to win this war. My compliments for your outstanding article "Enlisting Workers for Victory!"

May I, however, make one suggestion. As an example of what our workers are doing, and especially as a stimulus for those who are not doing very much for the war effort, you might have chosen somebody else's pay envelope, not John A. Sawyer's.

Here is a man earning $64.30 per week and who is not much more than 1% behind the war effort. Seventy-five cents worth of war savings stamps! I would like to believe there are mitigating circumstances present. But I do think that this example is not one to encourage workers who are earning $20 per week and who buy four stamps each week. Nor will it help increase the effort who could buy more stamps.

This is given in a friendly spirit by one who is very anxious to see the public at large wake up to the fact that it is looking at a ruthless war right in the face!

Montreal. F. A. Magee.

TO PAY BOND INTEREST

Bloor St. George Realty Ltd., Dec. 15 will pay Coupon No. 23, dated Aug. 15, 1937, on its 7% first mortgage 20-year sinking fund bonds, on presentation to the Dominion Bank. Funds are also available to meet the payment of all outstanding coupons prior to Coupon No. 23.

War Speeds Research At Imperial Varnish Co.

Testing of new and alternative materials is now being carried out very actively by the research department of Imperial Varnish & Color Co., shareholders were told at the annual meeting.

This has been made necessary by the fact that some of the imported raw materials are no longer available, while others are used for munitions in such quantity that there is not enough left over for the company's ordinary uses.

Concerning the bonus of 10 cents per common share which was paid Dec. 1 along with the regular 12½ cents dividend, T. F. Monypenny, president, declared that this was paid out of increased profits and that directors would like to establish this additional payment on a permanent basis.

However, in view of war uncertainty the extra dividend must be considered as a bonus and can only be expected to recur if profits and general financial position permit. Present conditions call for increased use of working capital with inventories having shown a substantial increase. The company has invested $75,000 in Victory Bonds.

The company has added $35,000 to contingency reserve, with the most important contingency being a possible inventory loss. Price ceiling regulations may obviate the necessity for part of this reserve, but on the other hand the restriction of such legislation may result in the curtailment of business and profits.

Arrangements have been made for the listing of both the preferred and common shares of Imperial Varnish on the Toronto Stock Exchange and they will be called for trading in the near future.

B. C. Fisheries Reach Peak

Salmon and Herring Runs Guarantee Filling British Need

From Our Own Correspondent

VANCOUVER.—Thanks to record packs of salmon and herring off the west coast, British Columbia packers are able to make a response to Britain's plea for food supplies far in excess of expectations.

Instead of the minimum requirements of 980,000 cases of canned salmon, British Columbia will probably ship 1.7 million cases. Instead of 1.6 million cases set as an outside figure for canned herring, about 1.7 million cases will probably be delivered.

All doubts as to British Columbia achieving a record salmon pack were dissipated during the past week when the official count gave 2.2 million cases, substantially in excess of the previous high mark established in 1930.

Herring Record

The herring catch has been phenomenal, and the pack is all the more remarkable when it is considered that before the war less than 100,000 cases represented the average output of the industry.

When the quota was exceeded in the Gulf of Georgia area last week the fish were reported in such abundance that an extension of the season was permitted and the final day's catch was the biggest ever recorded. Fishermen report that they never saw such enormous schools of herring before.

Seine crews this year were using modern "wire" methods of detecting the fish. No longer is there any need for sending out "scouting" parties for visual location of the herring.

New Technique

A small power boat precedes the seining craft, trailing to the stern several hundred feet of wire. The wire is held in the hand of a trained "scout" who can tell by the "feel" how big a school of fish has been encountered, its depth and direction of travel.

When the scout gives the signal the skipper of the seinboat orders the "set" and the huge net piled at the stern of his vessel is gradually paid out in a 1,000 foot circle with a view to encompassing and trapping the school.

When the circle is completed the bottom of the huge net hundreds of feet in depth is drawn tight like an old-fashioned shopping bag, choking off escape. Then the net is hauled in, and a "brailer" operated by power winches scoops the fish out of the net into the hold of the packer boats which carry their load back to the canneries.

A new order for 5,000 tons of canned herring valued at more than $800,000 was offered by the British Government last week on condition that Canada supplies the tomato sauce in which the fish are packed in cans. For the initial order United States sauce was used under the lend-lease arrangement, but no more is now available.

Quebec Group Offering Bonds

From Our Own Correspondent

MONTREAL.—Paul Gonthier & Co. and Oscar Dube and Co. are making a public offering of $600,000 first mortgage bonds of Hotel Dieu St. Vallier of Chicoutimi. The bonds are being offered in two issues—$56,500 carrying a 4% coupon, and maturing between Nov. 1, 1942, and Nov. 1, 1949, and $543,500 of 4½% bonds, due 1950 to 1953. Both issues are offered at par and accrued interest.

The bonds are secured by first mortgage on the property which, when completed, will have a value of $2 millions. In addition, the provincial government subsidy is turned over to the trustee for the servicing of the bonds. In 1940 the Quebec government paid to the hospital $51,000.

Proceeds of the issue will be used to retire $85,800 of 4% first mortgage bonds now outstanding, and to defray the cost of constructing and equipping the hospital.

Montreal 'Phones Set New Peak

From Our Own Correspondent

MONTREAL. — For the first time in its history, Montreal has over 200,000 telephones or twice as many as in Sept., 1923, according to a statement released by the Bell Telephone Co. of Canada.

During the 18-year period when the number of telephones in service in Montreal was doubling, the miles of wire in operation increased by 258.8% to 963,000; local calls completed per day have risen 124.3%, or 2,131,000; while long-distance calls increased in number by 129.5% or to 10,000 daily.

Caledonia Power Bonds on Market

From Our Own Correspondent

MONTREAL.—F. J. Brennan & Co., investment dealers of Saint John, N.B., is making a public offering of $525,000 of serial and long term first mortgage bonds of Caledonia Power & Water Board. The bonds are offered in three blocks: $98,000 of 4% serial, $227,000 of 4½% serial and $200,000 of 4½% sinking fund bonds. The first mortgage and serial bonds maturing 1940 and after are offered at 102 and accrued interest.

Caledonia Power and Water Board was incorporated early this year to take over the electrical distribution and water systems from the town of Glace Bay for the sum of $500,000. The board will continue the distribution of electric light and power at Glace Bay, the energy being purchased as heretofore from Seaboard Power Corp. Likewise the board will continue to supply water to Glace Bay, the District of Reserve and town of Dominion.

Consolidated earnings for 1940 totalled $223,018 and net income available for dead service charges, after depreciation, amounted to $53,093. On the same basis net profits for the first half of 1941 totalled $32,869.

Proceeds of the present bond issue, which is guaranteed unconditionally as to principal and interest by the town of Glace Bay, will be used to pay the town the sale price of $500,000, and cost of organization and financing, etc. The net profit of the board after providing for taxes, bond interest, debenture interest, sinking fund, depreciation and reserve may, with the consent of the Provincial-Municipal Commission, be paid over to the board of the town of Glace Bay.

Current Trends Of Construction

Trends of construction activity in Canada last month and so far this year, analyzed according to chief categories of projects started, are shown in the following tabulation by The Financial Post from the monthly building statistics of MacLean Building Reports:

Construction Contracts Awarded
First 11 Months

	1941	1940	—Change— Millions of $	%
Residential	87.9	63.3	+24.6	+39
Business	96.7	98.8	—2.1	—2
Industrial	83.9	115.9	—31.9	—28
Engineering	106.3	51.0	+55.4	+108
November Totals				
Residential	5.9	7.6	—1.7	—22
Business	6.5	7.3	—0.8	—11
Industrial	6.6	37.0	—30.4	—82
Engineering	3.8	3.0	+0.8	+27
Total	22.8	54.9	—32.1	—58

Details of November Awards

	1941 $	1940 $
Apartments	270,200	1,015,000
Residences	5,682,400	6,601,200
Total residences	5,952,600	7,616,200
Churches	154,000	156,000
Public garages	348,300	201,800
Hospitals	410,500	1,103,700
Hotels & clubs	177,400	201,800
Office bldgs.	529,900	255,500
Public bldgs.	3,711,600	3,706,200
Schools	173,300	132,000
Stores	445,700	662,300
Theatres	23,500	232,500
Warehouses	506,600	678,000
Total business	6,480,800	7,329,800
Total industrial	16,634,200	36,972,600
Bridges		139,200
Dams & wharves	470,100	248,300
Sewers, watermains	2,335,500	629,300
Roads, streets	1,010,100	2,032,300
General engineering	6,200	14,200
Total engineering	3,821,900	3,063,300
Grand total	22,889,500	54,981,900

Provincial totals for the months were as follows:

Ontario	$10,335,200
Quebec	5,934,500
Alberta	1,590,300
Manitoba	1,552,400
British Columbia	931,300
Nova Scotia	915,800
Saskatchewan	811,600
New Brunswick	760,900
Prince Edward Island	57,500

Contemplated construction, reported for the first time in November, totalled $25,105,800, compared with $57,333,900 for Nov., 1940.

Large Awards in November

Construction contracts awarded in Canada during November where the value of the work undertaken exceeded $100,000 were as follows:

Toronto, Ont. — sewage disposal system	$1,663,000
Souris, Man.—flying school	1,000,000
Kirkcaldy, Alta.—flying school	954,300
Windsor Mills, Que.—paper mill	500,000
Leaside, Ont.—factory	500,000
Peterborough, Ont.—plant	500,000
Long Branch, Ont.—factory addition	300,000
Merritton, Ont.—paper mill	250,000
Hamilton, Ont.—steel mill	250,000
Malton, Ont.—plant addition	200,000
Toronto, Ont.—ordnance bldg.	200,000
Shawinigan Falls, Que.—plant	200,000
Newcastle, N.B.—power plant	200,000
New Toronto, Ont.—factory addition	150,000
Kenogami, Que.—paper storage	150,000
Peterborough, Ont. — wartime housing	144,000
Esquimalt, B.C.—wartime housing	135,000
Montreal, Que.—garage	130,000
St. Jerome, Que. — addition to plant	130,000
Edmonton, Alta.—factory	125,000
North York, Twp., Ont.—assembly plant	125,000
Saint John, N.B.—extension to hospital	121,700
Newington, Que. — internment camp	119,000
London, Ont.—barracks	111,000
Winnipeg, Man.—assembly hangar	110,000
Roberval, Que.—hospital	100,000
Levis, Que.—office bldg.	100,000
Sherbrooke, Que.—concentration camp	100,000

CONSOLIDATED ISSUES STOCK

From Our Own Correspondent

MONTREAL.—Consolidated Paper Corp. report that 439 shares have been issued in payment of interest, making total shares outstanding 2,559,751.

Shorter days mean longer odds —*against* you!

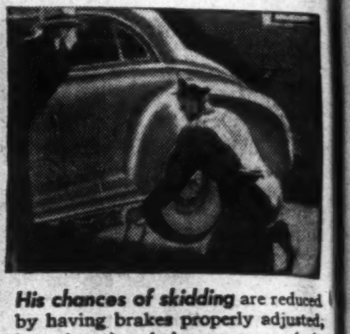
Winter invariably brings heavier tolls of traffic accidents—there are usually more than one and a half times as many accidents in December as in June.

Shorter days mean more hours of darkness. These shorter days bring with them stormy weather and other seasonal dangers in driving your car.

These abnormal burdens are placed on drivers every Winter — and particularly this Winter because our rapidly accelerating war effort is putting more and more men and cars on the roads.

Increased dangers should be balanced by increased caution. Those drivers and business organizations who, in co-operation with the Oil Controller, are using their cars only for essential transportation in order to conserve gasoline for the use of our armed forces, will keep in mind the following suggestions throughout the Winter.

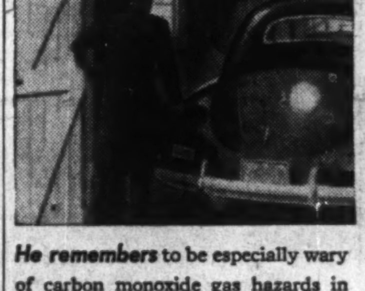
The careful driver makes sure that his lighting equipment is adequate and that it is properly adjusted for longer hours of darkness, snow, sleet, and fog; also that windshield wipers and defrosters are working effectively.



His chances of skidding are reduced by having brakes properly adjusted, by using tire chains on snow, slush, ice. The safe driver knows and practices safe driving technique on slippery surfaces. He is always on the alert for unexpected icy spots.

The careful driver also makes up his mind to travel habitually at speeds that are reduced in conformity with road conditions throughout this season.

He leaves more room than usual between himself and the car ahead, is more cautious than ever about passing cars when approaching hills or curves. On hills, he watches out for children on sleds.



He remembers to be especially wary of carbon monoxide gas hazards in garages. If his car is a closed model, particularly an old one, he will have it checked for leakage.

Metropolitan Life
Insurance Company
(A MUTUAL COMPANY)
NEW YORK
Frederick H. Ecker Leroy A. Lincoln
CHAIRMAN OF THE BOARD PRESIDENT
CANADIAN HEAD OFFICE
OTTAWA

White Can. Aircraft To Meet Dec. 13

White Canadian Aircraft Ltd. has called a special and general meeting of shareholders to be held in Hamilton Dec. 13, 1941. The meeting is to consider the financial statements as at the end of the company's year on June 30, 1941, and for the four months ended Oct. 31 this year.

It is also proposed to change the company's head office from Toronto to Hamilton and to reduce the board of directors to three members.

Salt Codfish Exports Of Nfld. Lower

Exports of salt codfish from Newfoundland for the four months ended October last totalled 209,152 quintals. This compares with 304,501 qtls. for the like period last year.

During October there was a sharp reduction in the bank and shore salt codfish exported, quantity amounting to 16,890 qtls., as against 82,653 qtls. a year ago. The Labrador and saltbulk exports recorded an improvement.

Momentum

In leaping a ditch a good run is necessary.

Advertising stimulus applied to sales at this time will serve to accelerate momentum sufficient to carry consumer patronage across the gap of war restrictions that looms ahead.

Daily newspapers provide the quickest and most universally accepted medium for doing this vitally essential work, and throughout Canada it is an axiom that

TORONTO IS A "TELEGRAM" CITY

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Modern. Fireproof. Well-appointed. Garage adjacent. 250 rooms from $2 single. $3 double. Cafeteria.
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For dependable Industrial and Real Estate valuations, select a company of unquestioned reputation.
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$1,46[illegible]
DIVIDENDS RETURNED TO POLICYHOLDERS IN 1940
. . . a convincing demonstration of how a mutual fire insurance company, operated for the benefit of its policyholders, can effect definite, clear-cut savings in their insurance costs.
These benefits are available to YOU today. Enquire now—local agents and branch offices across Canada.
NORTHWESTERN
MUTUAL FIRE ASSOCIATION
CANADIAN HEAD OFFICE · VANCOUVER

Fire Insurance and Allied Lines
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WESTERN
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COMPANY
HEAD OFFICE TORONTO
ESTABLISHED 1851
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AVIATION · CASUALTY
MARINE

THE
Dominion of Canada
GENERAL
Insurance Company
Fire Casualty Life

Fire Insurance

Fire Agents Obtained Income Tax Ruling

Can Charge Three Year Commission on Mercantile and Manufacturing Risks Over Three Years

Insurance legislation passed recently by seven of the Canadian provinces, permitting the issue of fire insurance policies on mercantile and manufacturing risks for three-year terms, has produced a problem for insurance agents as regards income tax. The income tax department, however, has come forward with a solution which the business regards as satisfactory in the main.

Formerly when these policies were issued for only one year and premiums paid accordingly, no difficulty was found in making the necessary income tax returns. Each year's premiums formed part of each year's income and were dealt with accordingly on a cash basis. Now, however, because there is a substantial saving to the buyer of insurance, under the three-year term, it is believed likely there will be a complete change over from one- to three-year terms.

Abnormal Increase

This will mean an abnormal increase in commissions received by agents in one year with a proportionate decrease of income in the two years following. The result will be a complete dislocation of annual income for the years in question, which is of considerable importance because of the higher income tax rates and the excess profits tax.

The income tax authorities, it is understood, realizes that, while there will be some new insurance written by reason of business expansion due to the war, lower per annum premium of three-year contracts will mean lower commissions than on a previous similar amount of business. The increase in income in the first of the three years is admitted to be due to a change in the insurance laws and has no relation to the higher incomes intended to be subjected to special war taxation.

Ruling of Department

Accordingly the income tax authorities have decided to allow insurance agencies to take into their incomes, subject to tax, commissions earned on fire insurance policies on mercantile and manufacturing risks for a three-year term on the following basis:

Not less than one third of the commission in the year of receipt and not more than one third to be deferred to each of the two subsequent years.

This ruling will apply for a period of six years, from 1941 to 1946 inclusive, thus giving the agents some years in which to adjust themselves to the new terms of writing.

For 1947 and subsequent years all agents who write policies on a three-year term will be assessed on a cash receipt basis as previously. Any amounts of deferred income untaxed at the end of 1946 must be added (having regard to the deferment plan) to the cash income of the years 1947 and 1948, for purposes of taxation.

Return to Normal

It is anticipated normal permanent cancellations and new business written over the six years, together with cancelled and rewritten three-year contracts, will so spread the maturity dates that the business of the agents will be brought back to normal conditions, as there will be no unusual change in the system of writing to cause any abnormal changes in the volume of premiums written.

This ruling of the income tax authorities applies only to commissions on one year, fire insurance policies written on manufacturing and mercantile risks which have been converted to three-year contracts and to new three-year contracts of the same class. The taxpayer will be required to maintain complete subsidiary records of commissions dealt with in this manner, which must be available to the assessors for such annual scrutiny as may be thought necessary.

The privilege of distributing the three-year premiums over three years for income tax purposes will not apply to three-year policies written on churches or residential and private property which have been insurable under three-year contracts for many years. The number of contracts of this class renewed each year, it is presumed, has been equalized for years past.

Deaths Follow Business Cycle

Insurance Analysts Watching Curve

Is the greater business activity resulting from the war likely to bring a rise in the general death rate in Canada?

A study by the Life Insurance Institute of New York indicates that this is possible. While the deductions drawn by the Institute from its studies are general in their nature, they would indicate that there should at least be no relaxing of efforts to improve general health conditions and check the spread of disease.

The possibility that a greater number of people in every thousand will die because of the war boom in 1941-42 is indicated by figures compiled by the Institute which show that during the last 40 years mortality rates in the United States have paralleled the trend of business fairly closely, rising when business was good, falling when it was quieter. Although the figures cover United States experience only, conditions there are sufficiently similar to those in Canada to make the study of considerable interest in this country.

12 Periods

During the past 40 years the Institute states, there have been 12 periods of increasing mortality and 12 periods of relatively important increases in business activity. These upswings in the two fields, it states, have followed the same general pattern, in some cases the change coming in the same year in both fields.

In every case in the 40 years each period of increasing activity has been accompanied by mortality increases and the decreases in business have always seen a decline in mortality. "This," the Institute states, "has been true even in the case of major swings, the boom of World War 1 seeing the great 1918 flu epidemic; the recent depression seeing a new low in mortality, with the longest sustained decrease in the death rate in history."

Even the persistent down-trend of certain important mortality factors such as tuberculosis, infant mortality and the like have not changed the peril variation, says the study. In 1940 business turned sharply up under the influence of the defense programme and the death rate, in spite of a sharp drop in infant mortality, turned up since the first time since 1936." The Institute takes into consideration the fact that the overall trend in mortality rates has been lowered over the last 40 years, with current death rates nearly 40% lower than the average of 1900. It claims, however, that year by year variations from this trend, taken as normal, have followed a pattern which strikingly parallels the trend of business activity.

A Warning Signal

"While this is not a prediction of an increase in the death rate for the coming year, it is a warning signal that emphasizes the need for devoting increasing attention to nutrition, hygienics, medical check-ups, special precautions to prevent accidents," the Institute states. "The 1941 mortality figures are not yet available," it proceeds, "but the sharp upturn in business activity suggests that in the not far distant future mortality may show an increase if this 40-year experience is to be followed.

"There is no positive explanation for this seeming phenomenon of relationships between business activity and mortality, though some life insurance medical men suggest that there may be two factors involved. First, the increased tempo of living in periods of intense business may result in both increased accidents and increased illness through overexertion, overeating and overliving. Second, there may be some after-effect from the malnutrition of depression periods."

The calculations of the Institute appear to be based on a general mortality rate in the United States and not on the insurance mortality rate.

In Canada

A similar study as regards the Canadian situation is lacking as yet. Normally, as far as insurance rates are concerned, the theory seems to be that mortality rates due to certain causes like suicide are higher in times of depression and lower in times of prosperity. Malnutrition is also given as a cause of greater mortality in times of depression. It is agreed, however, that the effects of malnutrition may not become noticeable during the actual time of depressed business but may have their effect after prosperity has returned.

A comparison of the general crude death rate per 1,000 for the last 15 years in Canada shows the rate rising from 10.4 in 1926 to 11.3 in 1929, which was a record year in Canadian business. From then on the trend was downward until 1934 when it reached 9.4 per thousand. In 1935 and 1936 it was slightly higher at 9.7 and in 1937, which was regarded as a fairly good year, after the depression of the early thirties, the rate rose to 10.2 In 1938, when business was quieter, the mortality rate fell to 9.5, but it rose again in 1939 to 9.6 and in 1940 to 9.7. Figures for 1941 are not yet available.

General Rate Varies

Regarding conditions in Canada a number of life insurance executives were of the opinion that there might be a variation in the general mortality rate compared with that among insured lives. They pointed out that in times of prosperity there possibly was a greater tendency for people of middle age to overexert themselves in sports.

Prudential of America Raises Premium Rates

The Prudential Insurance Co. of America has announced that it will raise its premium rates on ordinary, intermediate and industrial policies effective Jan. 1.

The advance, it is estimated, will average less than 8%. On new business after that date, premium rates, reserves and cash values will be based on 2½% interest, instead of the 3¼% interest basis used previously.

Payment of proceeds of ordinary policies in installments will, after Jan. 1, also be based on 2% interest instead of the present rates which are stated to be somewhat higher. This movement by the Prudential follows one made by the Metropolitan recently. Declining interest rates are the main factor in both cases.

Among Canadian companies there have been some adjustments upward, but there has been no general move. The Canadian life companies act individually in such matters, not as a group, although all are subject to the same conditions, the main factors in premium rates being interest and mortality rates.

Interest earned on insurance company investments fell from 5.59% in 1931 to 4.32% in 1938. Figures for 1939 and 1940 are not yet available.

Royal Trust Book On Death Duties

From Our Own Correspondent

MONTREAL. — Royal Trust Co. has issued a booklet entitled "Dominion Succession Duties" in which is given in concise form definitions, classifications, exceptions and general provisions of the Succession Duties Act of the Dominion which become law on June 14 of this year. In addition the book contains tables showing rates of duty, both in respect of initial duty and additional duty as defined under the Act.

In a preface to the pamphlet, now in its second edition, the company states: "It is often possible to effect a considerable saving in succession duty by a careful study of one's investments and the provisions to be made for the distribution of the estate."

Brokers' Loans Down Again at Toronto

Toronto Stock Exchange members report borrowings on the collateral at Nov. 29, 1941, amounting to $8.6 millions, a drop of $512,052 from the end of Oct. and $226,857 below Sept. this year. Quoted market value of all listed stocks as at Nov. 29 was $3,684.6 millions a gain of $8.2 millions from Oct. 31. This took ratio of collateral borrowings to quote market values down to .23 of 1% compared with .25 of 1% at Oct. 31 and .26 of 1% a year ago.

Aluminum Head Office is Changed

From Our Own Correspondent

MONTREAL.—Head office of the Aluminum Co. of Canada Ltd. has been brought back to Montreal after having been in Toronto for some years. The move is only a "legal change of domicile." The original change from Montreal to Toronto was made for reasons of taxation.

Brewing Corp. Earnings Higher

Plans to Revamp Capital Structure Before Shareholders

Brewing Corp. of America, in which Canadian Breweries has an undisclosed interest, reports net profits for the year ended Sept. 30, 1941, equivalent to 86c a share on its common stock, compared with 76c a share in the previous year. Net sales in the latest period were $3.2 millions compared with $2.9 millions for 1940. Company reports current assets of $1.3 million and current liabilities of $643,203, leaving working capital at about $600,000, approximately the same as a year ago.

At the annual meeting Dec. 9, shareholders will vote on a proposal to change the par value of the stock to $15 from $3 a share, reduce the number of authorized shares from 750,000 to 150,000, and exchange one share of new stock for five old shares. Purpose of the proposals is said to be to improve the investment status of the stock and affect a saving for stockholders by reducing transfer taxes.

Dosco Increases Pig Iron Output

From Our Own Correspondent

MONTREAL. — Output of pig iron at the Sydney plant of Dominion Steel & Coal Corp. recorded a sharp improvement in October. Production totalled 32,000 tons, as against 24,000 the previous month and with 35,000 tons in Oct., 1940.

For the first 10 months of 1941, the Sydney plant produced 304,000 tons of pig iron, compared with 327,000 tons for the like month a year ago.

Insurance Notes

Grattan O'Leary, associate editor of the Ottawa Journal is among the speakers on the programme at the annual meeting of the Life Insurance Presidents in New York Dec. 11 and 12. It is expected he will discuss the war situation in the British Isles.

• • •

Many Ontario insurance agents are reported to be agitating strongly for a revision of the personal property floater policy recently worked out by the Canadian Inland Underwriters Association. The new policy is expected to go into effect Jan. 1. But it is claimed by some of the agents that it will create considerable dissatisfaction. One thing said likely to do so is the regulation that no claim will be considered unless it is for at least $15. This clause, it is claimed, will mean that many small claims in the nuisance class will be boosted up to over $15. Objection is also taken to the increase to $35 in the minimum premium that will be written. This means selling many present policy holders a new contract at the end of the present one at a higher price with the $15 minimum claim regulation attached. Another point of criticism is the limitation to $500 of protection on watches, jewellery, and furs in the house. Much broader protection is often wanted, it is claimed.

• • •

The Chamber of Commerce of Montreal has petitioned Premier Godbout to amend the Quebec Insurance Act at the coming session of the provincial legislature to legalize loans made by life insurance companies on policies whose beneficiary is the wife of the policyholder and "to authorize insurance companies to pay the surrender value to the interested persons when the policy is payable to the wife of the policyholder without being subject to the annulment of the courts."

The petition arose out of the court decision in Montreal some months ago that a company must accept liability for any loans it makes on an insurance policy when the beneficiary is the wife of the assured. As a result insurance companies in Quebec have for the time being discontinued making loans on such policies.

Pleading Guilty to Crime Voids Insurance Policy

In a decision recently given at Osgoode Hall, Toronto, a motorist involved in an accident and pleading guilty to a charge of reckless driving, received no compensation from his insurance policy.

Briefly the facts of the case were that following an accident in which they were involved, James Taylor and his wife made a claim against Edward Carl Harvey of Curry's Crossing, Oxford County. On behalf of Harvey, the Non-Marine Underwriters of Lloyd's paid the Taylors. The claim including costs amounted to $3,001.36.

Harvey had appeared before a magistrate and pleaded guilty to the criminal charge of reckless driving. It was decided that under the insurance contract, when the insured person pleaded guilty to a criminal charge, the insurer could recover from him the amount of the settlement.

The decision apparently was based on the claim that by pleading guilty to a criminal charge and by failing to co-operate with the insurer Mr. Harvey had voided his public liability and property damage automobile insurance policy.

In Statutory Conditions

The provision on which the decision was based is contained in statutory condition 4(2) of the Standard Automobile Policy, which says:

"The insured shall not voluntarily assume any liability or settle any claim except at his own cost. The insured shall not interfere in any negotiations for settlement or in any legal proceedings, but, whenever requested by the insurer shall aid in securing information and evidence and the attendance of any witness and shall co-operate with the insurer, except in a pecuniary way, in the defense of any action or proceeding or in the prosecution of any appeal."

Under the absolute liability provisions of the insurance act Lloyd's apparently were liable to the claimant for the amount of the claim, but the amount paid to him under the first part of the statutory condition quoted was recoverable from the insured because he had voluntarily pleaded guilty to a criminal act.

Varying views are taken of the situation affecting automobile insurance as it now stands. It is claimed in some quarters that if the insured had not pleaded guilty but had been convicted, he would not have violated the contract as affected by the statutory condition under which he is not to assume any liability voluntarily.

If this view is correct it is claimed the policyholder should not be deprived of his insurance for being honest enough to admit he was guilty.

Proposed Changes

Changes in other statutory conditions are being recommended by the insurance superintendents regarding unlicensed drivers.

It is suggested that the clause which indicates the insurance will be voided if the insured allows his automobile to be driven by any person not for the time being qualified and authorized by law to drive or operate the automobile . . . or by any person under the age of 16 years, and the clause which voids the insurance if he drives his car himself under such conditions, shall be changed to prohibit the owner driving it himself or allowing anyone else to drive it if he or they have never been qualified and authorized to drive an automobile or if their license to drive is suspended or cancelled or if he or they are under 16 years of age.

This change in the wording of the statutory conditions will prevent voiding of the insurance of an automobile owner who, for instance, drives his car on Feb. 2, after his license has expired Jan. 31 and has forgotten to renew it.

B. C. Timber Cut At High Level

10-month Total Beats Preceding Five Years In Timber Scaled

Timber scaled in British Columbia in the first ten months of 1941 totalled 2,966.5 millions board feet, a higher total than in the corresponding period of any of the five preceding years. The 1940 10-month period showed 2,919.3 millions board feet. This year there has been an increase in cedar, spruce, larch and cottonwood which has more than offset a decline in fir, hemlock and balsam.

Total for October this year is slightly above September but well below that of October a year ago. The Oct., 1941, total was 297.2 million feet, compared with 291.7 million in Sept., 1941, and 333 million feet in October a year ago. Fir, with 1,411.7 million feet, made up more than half of the October total.

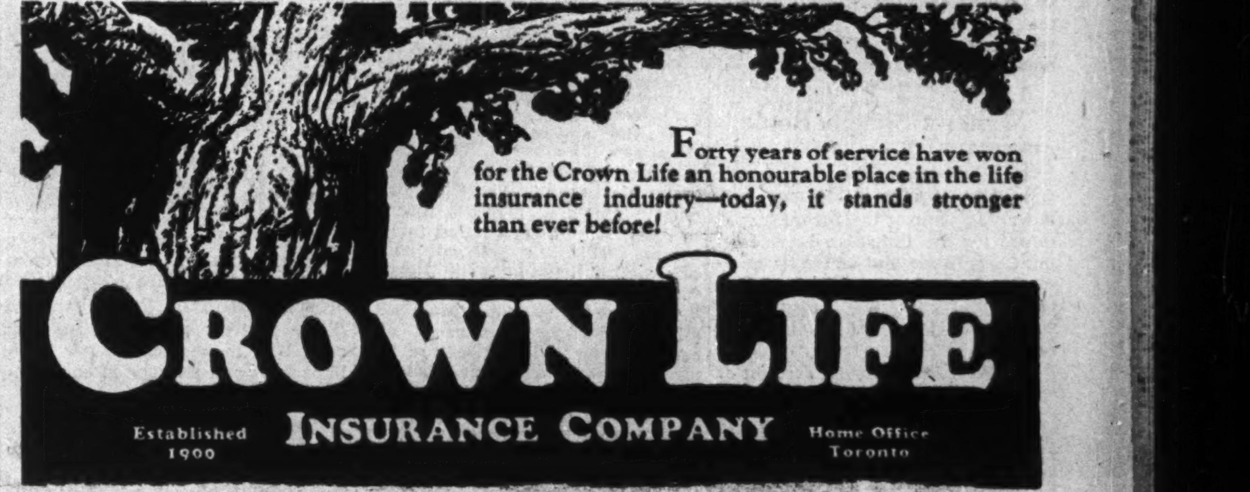
U. S. Paper Production Above Rated Capacity

From Our Own Correspondent

MONTREAL.—Paper production in the United States in the week ended Nov. 22 was equal to 105.5% of rated capacity, according to the American Paper & Pulp Association Index of paper mill activity. This compares with 106.5% in the week ended Nov. 15 and 84.7% in the week ended Nov. 23, 1940.

Paperboard production in the week of Nov. 22 was at 96% of capacity compared with 99% in the preceding week.

Commenced Business 1906
MONARCH
LIFE ASSURANCE COMPANY
A PROGRESSIVE
CANADIAN COMPANY



Forty years of service have won for the Crown Life an honourable place in the life insurance industry—today, it stands stronger than ever before!
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Established 1900
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Since the negotiation of Group Insurance requires considerable time and knowledge, both of insurance protection and employee relations, all Group Sales Executives of Confederation Life Association are salaried men. They have received intensive, specialized training and are men of proven character, ability, and experience.

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Complete Group Insurance Service
A Message to EMPLOYERS

How Science Will Defeat Hitler

General Electric Scientist Sees it Key to Victory

Superior scientific and technical development of Great Britain together with its Dominions, and the United States, is one of three decisive factors which should ultimately win the war against Hitler, Laurence A. Hawkins, executive engineer of the General Electric Co. Research Laboratory said in a special address to the Toronto Electrical Club.

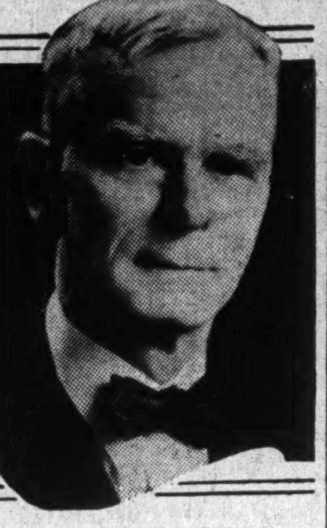
Greater capacity for quantity production and superiority in morale he sees as the other two factors for the anti-Nazi cause.

He paid tribute to British science which, he said, unlike the situation in 1914-1917, is working in close coordination with industrial technologists, engineers and research men, and those in universities.

Regimentation Deadens

"In science and technology," said Mr. Hawkins, "we have the greatest advantage over Germany, even though they had a head start. Now their science is on the down-grade, as a result of the close regimentation which is so far opposed to the spirit of scientific enquiry."

"Research in the United States did a good job in 1917-18, but we are now at least 10 times as strong in industrial research as we were then. In the General Electric Research Laboratory, 75% of our effort is devoted to defense, and this is typical of other similar organizations. In addition, universities and colleges have dedicated their technical talents to the same cause.



L. A. HAWKINS

"It seems impossible that Germany should come anywhere near to equalling this scientific brain power mobilized against her. And the longer the war lasts, the more important this will become."

"Undoubtedly many scientists regret having to give up the search for truth to thoughts of war, but this is far preferable to the alternative—in which freedom of enquiry would be impossible. At least there is the consolation that there will be practical, peace-time uses of many of our war developments, as there were after the last war with wireless telephony and X-rays, for example.

"The scientists were among the first in the United States to recognize the threat of the Nazi machine, but now our country is awake, and the scientists have the chance to do something.

"Just keeping Germany from winning will not be enough, for it will be necessary to win an offensive victory. The problems are very different from 1917. There is the greater coast-line under German control.

"Under present conditions, the submarine hunts of the last war are not feasible, and Germany has more submarines, and new tactics. But these things will be solved in time, as was the threat of the magnetic mine.

"British scientists quickly developed the de-Gaussing girdle, which made ships immune from these mines. They did a marvellous job, in developing the radiolocator for detecting approaching planes, the device which is credited with saving England. Hundreds of physicists in the United States, including a group in the G-E laboratory, are working on such developments as this."

New Books

How to Figure It

AIR MAIL PAYMENT AND THE GOVERNMENT. By F. A. Spencer. Published by The Brookings Institution, Washington, D.C. Price $3 (U.S.)

This looks like the hand-book for government and airline officials and anybody else who may need to know most of what there is to know about determining "right" rates for air mail carriers. It is historical and descriptive of air mail mechanics and operations from earliest days to the present. Not likely bed-time reading for the multitude; "must" reading for the professionals.

Writer's Sketch Book

INTO THE BLITZ. By William Strange. Published by the Macmillans in Canada.

William Strange is the man who is writing some of the "propaganda" shows for the Canadian Broadcasting Corporation and under its sponsorship he had a good look at Britain some months ago before Hitler was forced to divert his bombing raids to the eastern front.

The book is a personal account or diary of one man's experiences and reactions. As such it has its value as a contribution to description of Britain in wartime. Probably because he had more time to set down his experiences on shipboard, those parts dealing with Atlantic crossings in wartime struck this writer as the best parts of the book.

Income Tax Reference

DOMINION OF CANADA INCOME WAR TAX ACT, including excess profits tax and other related measures, 1941 edition, published by The Kingsland Co., Toronto and Montreal; paper cover, 128 pages, well indexed, price $1.25 postpaid, plus exchange and Quebec tax to Quebec residents.

At the spring session of the Dominion Parliament vitally important tax changes were enacted. Some of these became effective at once, some were made retroactive to April 30. Others applied to 1941 income. This, the 1941 edition of this well known book on the income tax, contains the full text of the Income War Tax Act itself, with all amendments to date. It also contains the National Defense Tax provisions of the Income War Tax Act, the Excess Profits Tax Act 1940 as amended to date, and various legislative notes. It is a ready and authoritive reference work on the three taxes indicated.

Blueprint for Insurrections

THE PRESIDENTS AND CIVIL DISORDER. By Bennett Milton Rich. Published by The Brookings Institution, Washington, D.C. Price $2 (U.S.)

Here is a clinical dissertation on United States national emergencies. It tells why, how and to what effect, past presidents of the United States have called out the armed forces to suppress uprisings. Presidents and perhaps prime ministers and policemen can add it to their shelf of text books.

Picture Book

PROBLEMS OF MODERN EUROPE. By J. Hampden Jackson and Kerry Lee. Published by the Macmillans in Canada. Price $1.75.

Using a modern technique of sleekly drawn symbols and charts to tell their story for them, the authors touch on many of the political and economic facts of Europe and of likely postwar problems. In most cases they merely offer a few highlight facts and perhaps in comparative percentage form.

Catelli Food Omits Dividend

Curtailment of Exports Leads to No Action on Common Stock

From Our Own Correspondent

MONTREAL.—Curtailment of export business to the United Kingdom has caused directors of Catelli Food Products to defer action at this time on the common dividend. Hitherto the company has been paying at the rate of 50 cents annually on a semiannual basis.

No figures are available on the volume of the company's export business. At times shipments to the United Kingdom have been heavy, but of late months these have been sharply curtailed as the shipping space is required for other purposes.

At this time there is no indication of when the United Kingdom will again be in the market for the company's products, and for that reason directors decided to defer further payments on the common.

Inter. Paints Cuts Preferred Arrears

From Our Own Correspondent

MONTREAL. — International Paints (Canada) Ltd. has declared a dividend of $1.25 a share on the $20-cumulative preferred stock, payable Jan. 12, 1942, to shareholders of record Dec. 12, 1941. This represents the regular dividend of $1 a share, plus 25 cents a share on account of arrears.

Following payment of these dividends, arrears will amount to $4.50 a share.

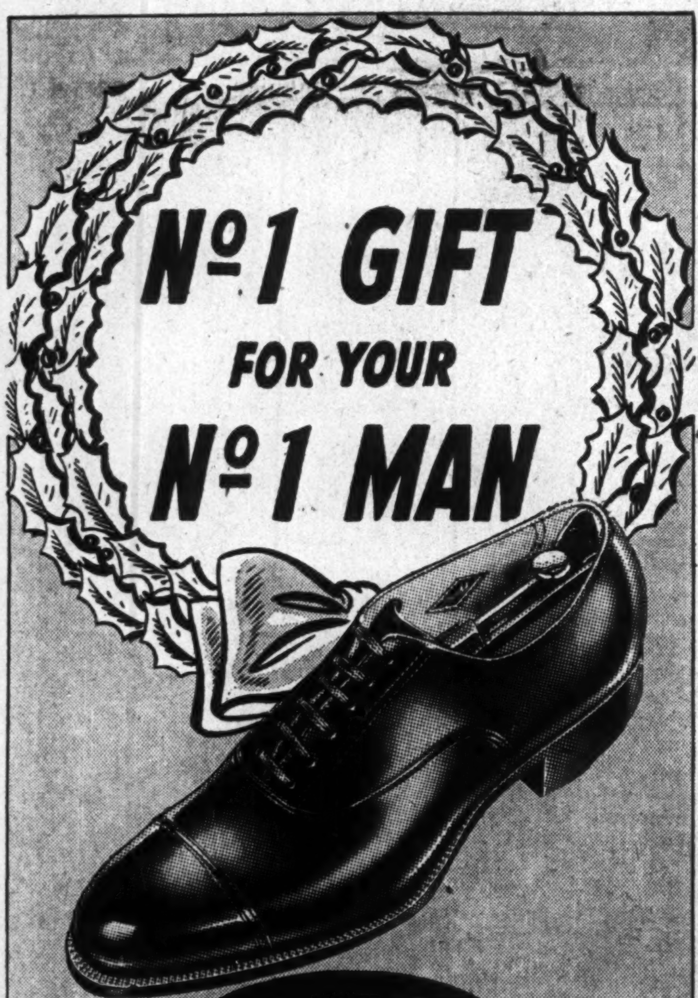
Famous Players Adds Robinson to Board

At a meeting of the board of directors of Famous Players Canadian Corporation Limited held Dec. 2, 1941, Howard P. Robinson, Saint John, N.B., was elected to the board.

Goodyear Tire Pays Extra

An extra dividend of $2.50 a share has been declared on the common stock of Goodyear Tire & Rubber Co. of Canada. Payment is to be made, along with the regular quarterly dividend of 63 cents a share, on Jan. 2, 1942, to shareholders of record Dec. 15.

Goodyear paid an extra of $1.50 a share on April 1 this year. These two extra, added to the regular $2.50 a share paid on the common, brings total payments for the past year to $6.50. No year-end extra was paid for 1940 but $2.50 was paid for 1939. The company has reported sales substantially higher than a year ago with a corresponding effect on profits in spite of higher taxes and an ever-growing share of the business going to the government.



Dack's
SHOES FOR MEN

Make this a thrilling Christmas by giving "him" Dack Shoes—for business, dress or sports wear. Dack's exclusive styling will put pride in his stride. And Dack's matchless comfort will keep him young and active. See the popular Bond Street line, most styles priced at $11.00.

Dack's Shoes
RCHANDISE WARRANT
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AND WORRY

● If you're in doubt about size or style, simply get a Dack Gift Certificate.

DS-1941

73 KING STREET WEST, TORONTO

SHOPS IN PRINCIPAL CANADIAN CITIES

Is "Trial Offer" Bona Fide Can You Get Money Back?

In the business field providing aids for the deaf and the hard-of-hearing are established firms making a useful and economical effort to help sufferers of this affliction. But it is also, unfortunately, true that some firms are victimizing the deaf.

One situation reported by the Better Business Bureau refers to abuse of a "trial offer." In these cases the customer is required to pay the full purchase price at once, and that purchase price is usually so impressively high as to suggest that the device is really worth while.

The catch is that if the article is returned there will be a substantial reduction made in the cash reimbursement to the customer.

The deduction in the cash returned to the unsold customer for the short trial period is many times the actual cost of production, so the seller of these hearing gadgets cannot lose no matter how many he has returned.

However, sometimes the customer is encouraged to try other sizes and other sets, unaware of the provision that the money-back offer is dated from the original order.

In the process of trying out the alternative sets he finds that he has run over the time limit allowed and, therefore, must forfeit the entire purchase price.

Quebec's Power Needs Up 45%

From Our Own Correspondent

MONTREAL.—Consumption of firm power in Quebec last month totalled 1,132,800,000 kw.h. This is the largest total ever reported by any one province in October or any other month and represents an increase of 45% over the load reported in October, 1940.

Preliminary indications are the November figures will show consumption of firm power in Quebec at an even higher figure.

Zeller's Sales Gain 16.3% in November

From Our Own Correspondent

MONTREAL.—Zeller's Ltd. reports sales during last month of $914,940, an increase of 16.34% over the $786,438 reported in the same month last year.

For the 10 months period Feb. 1 to Nov. 30 this year, sales aggregated $7,421,569, representing an increase of 23.54% over the $6,007,583 for the same period a year ago.

Christmas Wrapped

Simon's
Havana Cigars

La Florena
All Havana Cuban Style

Pandora
CIGARS

10's — 25's and 50's

Can. Machinery Sharply Ahead

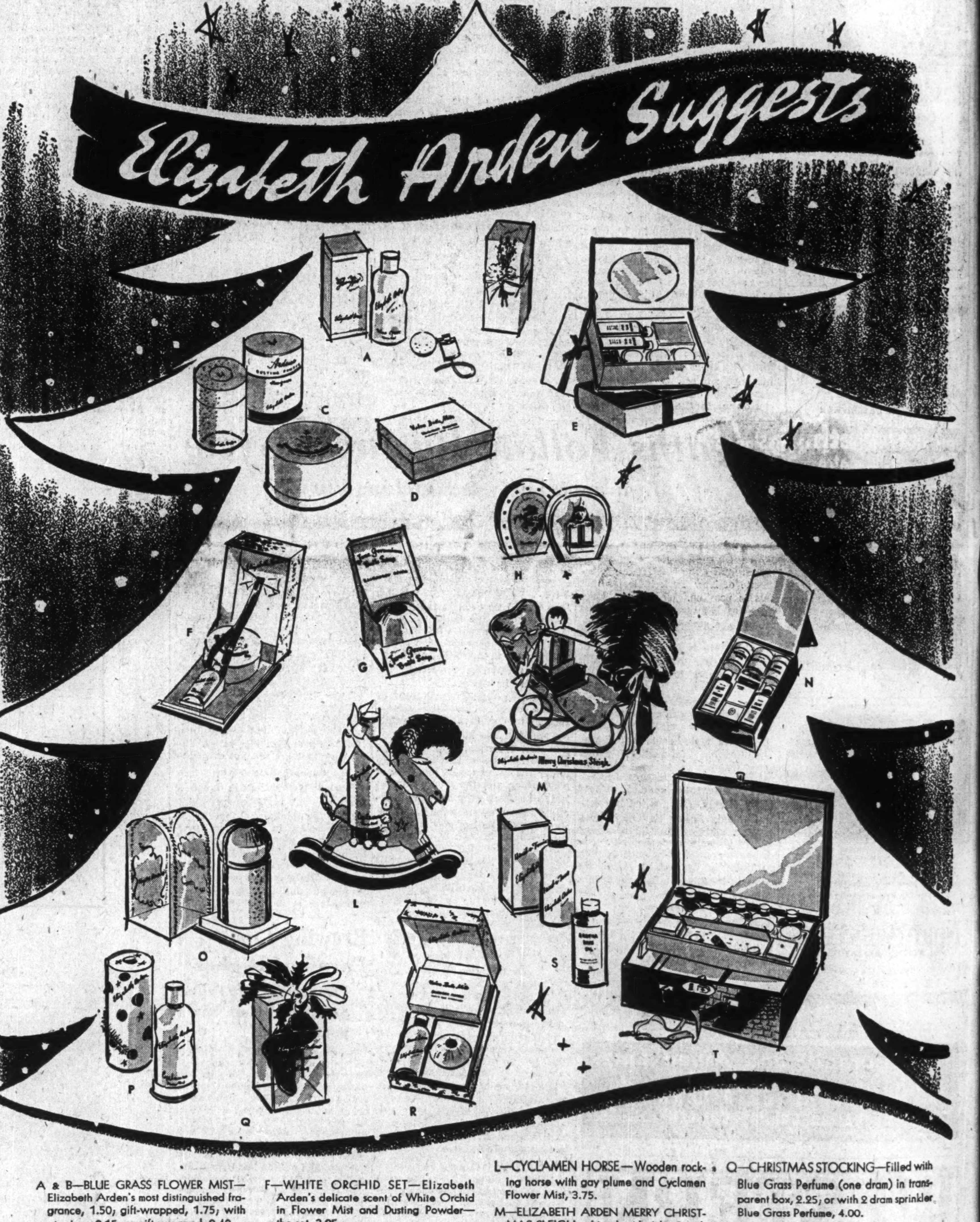
Canada Machinery Corp. is booked to capacity right through 1942, The Financial Post understands. Earnings are said to be running well ahead of a year ago when the company reported a net of $3.65 a share on the common stock.

A dividend of 50 cents per share has been declared on the common stock payable Dec. 20 to shareholders of record Dec. 10. This marks the second common dividend since reorganization of the company in Oct., 1940. Initial dividend was 50 cents paid June 28, 1941. It is understood that while the second dividend comes six months later payments are still on an interim and not a regular semiannual basis.

Clarendon Apartments Pays $7.50 Interest

Payment of $7.50 per $1,000 bond will be made Dec. 15 on the Clarendon Apartment 7% first mortgage bonds due Dec. 15, 1946, the Bondholders' Committee announces. The payment is on account of Coupon No. 15 which was due June 15, 1934.

The disbursement may be received by forwarding coupons to the Canadian Bank of Commerce, Toronto.



A & B—BLUE GRASS FLOWER MIST—Elizabeth Arden's most distinguished fragrance, 1.50; gift-wrapped, 1.75; with atomizer, 2.15; or gift-wrapped, 2.40.

C—DUSTING POWDERS—Ardena Dusting Powders—Snowdrift or Illusion, 1.25; Flower Mist Dusting Powder, 1.85; Blue Grass Dusting Powder, 1.85.

D—VELVA BATH MITS—Elizabeth Arden's bath-time luxury for tub or shower—75c, 2.00 and 3.50.

E—BEAUTY PRIMER—A novel Beauty Box in Book Cover containing 9 Elizabeth Arden essentials for loveliness, 6.50.

F—WHITE ORCHID SET—Elizabeth Arden's delicate scent of White Orchid in Flower Mist and Dusting Powder—the set, 3.25.

G—JUNE GERANIUM BATH SOAP—The finest in Bath Soaps from England—individually boxed, 75c; 3 in a box, 2.15; 6 in a box, 4.00; Magnum size, individually boxed, 1.35.

H—BLUE GRASS PERFUME—Elizabeth Arden's most popular fragrance. In horseshoe box, 6.60.

L—CYCLAMEN HORSE—Wooden rocking horse with gay plume and Cyclamen Flower Mist, 3.75.

M—ELIZABETH ARDEN MERRY CHRISTMAS SLEIGH—Lined with 6 by 9 inch satin pillow sachet and carrying a distinguished bottle of Blue Grass Perfume, 12.50.

N—QUICK MAKE-UP KIT—In Black or Brown Alligator Grain—containing 10 Elizabeth Arden essentials for a quick make-up, 7.50.

O—DUSTING POWDER AND JUNE GERANIUM SOAP—Ribboned in transparent box, 2.25.

P—"PEEK-A BOO" BOX—Cyclamen Flower Mist in colourful, tinsel trimmed box, 2.15.

Q—CHRISTMAS STOCKING—Filled with Blue Grass Perfume (one dram) in transparent box, 2.25; or with 2 dram sprinkler Blue Grass Perfume, 4.00.

R—GIFT BOX—Containing June Geranium Soap and Bath Mit, 3.00; with Hand-O-Tonik, Flower Mist or Bath Oil.

S—HAND-O-TONIK AND BATH OIL—1.25 and 2.25; Bath Oil—in Ambre, Pine or Carnation, 1.25 and 2.75.

T—TRAVEL BEAUTY BOX—In Black or Brown Alligator Grain—containing 15 essential preparations—special compartment for gown and slippers, 20.00. Other Beauty Boxes from 6.50 to 150.00.

Simpson's
STREET FLOOR

Gifts of Loveliness for a Merry Christmas

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

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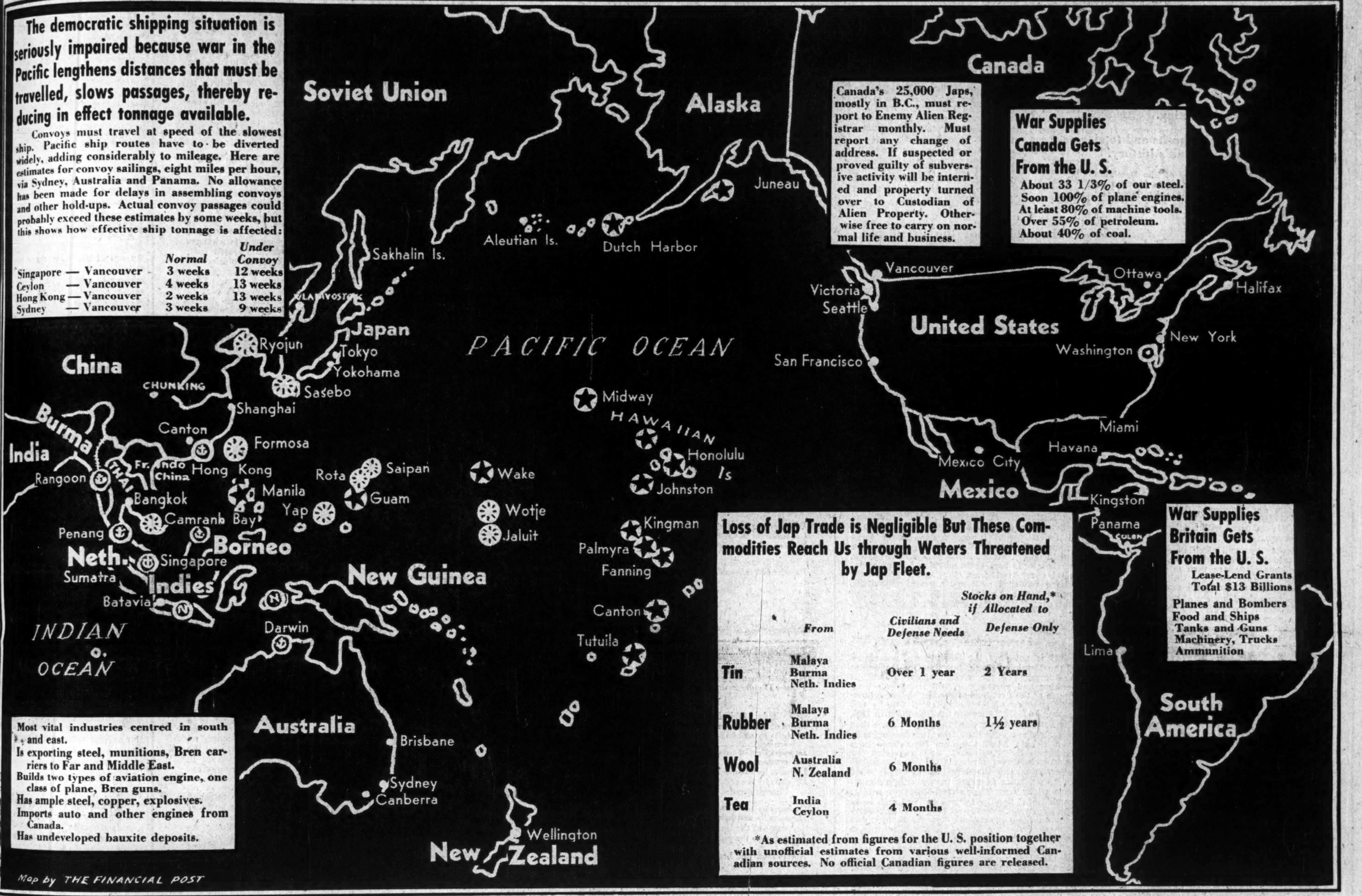
War Smashes at Canadian Consumer

Japan's Move Hits Savage Blow at Vital Industrial Supply Line



The democratic shipping situation is seriously impaired because war in the Pacific lengthens distances that must be travelled, slows passages, thereby reducing in effect tonnage available.

Convoys must travel at speed of the slowest ship. Pacific ship routes have to be diverted widely, adding considerably to mileage. Here are estimates for convoy sailings, eight miles per hour, via Sydney, Australia and Panama. No allowance has been made for delays in assembling convoys and other hold-ups. Actual convoy passages could probably exceed these estimates by some weeks, but this shows how effective ship tonnage is affected:

	Normal	Under Convoy
Singapore — Vancouver	3 weeks	12 weeks
Ceylon — Vancouver	4 weeks	13 weeks
Hong Kong — Vancouver	2 weeks	13 weeks
Sydney — Vancouver	3 weeks	9 weeks

Canada's 25,000 Japs, mostly in B.C., must report to Enemy Alien Registrar monthly. Must report any change of address. If suspected or proved guilty of subversive activity will be interned and property turned over to Custodian of Alien Property. Otherwise free to carry on normal life and business.

War Supplies Canada Gets From the U. S.

About 33 1/3% of our steel.
Soon 100% of plane engines.
At least 80% of machine tools.
Over 55% of petroleum.
About 40% of coal.

War Supplies Britain Gets From the U. S.

Lease-Lend Grants Total $13 Billions

Planes and Bombers
Food and Ships
Tanks and Guns
Machinery, Trucks
Ammunition

Loss of Jap Trade is Negligible But These Commodities Reach Us through Waters Threatened by Jap Fleet.

	From	Stocks on Hand,* if Allocated to Civilians and Defense Needs	Stocks on Hand,* if Allocated to Defense Only
Tin	Malaya Burma Neth. Indies	Over 1 year	2 Years
Rubber	Malaya Burma Neth. Indies	6 Months	1½ years
Wool	Australia N. Zealand	6 Months	
Tea	India Ceylon	4 Months	

*As estimated from figures for the U. S. position together with unofficial estimates from various well-informed Canadian sources. No official Canadian figures are released.

Most vital industries centred in south and east.
Is exporting steel, munitions, Bren carriers to Far and Middle East.
Builds two types of aviation engine, one class of plane, Bren guns.
Has ample steel, copper, explosives.
Imports auto and other engines from Canada.
Has undeveloped bauxite deposits.

Single Star—United States. Rising Sun—Japan. N—Netherlands. Anchor—Great Britain.

By W. BRUCE MacKINNON
Staff Writer, The Financial Post

War now circling the globe threatens the most serious impact to date on the individual Canadian—and soon.

Shutting out Japan in itself is of no importance to our supply of materials.

But the spreading of war to the Pacific threatens the trade in supplies which we can't find elsewhere and for which few substitutes can be readily found or developed.

The new status of the United States as a belligerent means that, while lease-lend aid will continue, an available supply has to be spread out further and is expended faster.

War with Hitler has raised living costs, but war with Japan destroys living standards. North America's imports of strategic materials from Europe have been practically negligible, but past Japan's doorstep have come tin, rubber, wool, tea, burlap and a dozen and one fruits and spices.

Threat to Lease-Lend

For the first time, rationing has become an imminent reality.

And along with the direct threat to supplies imported from the Far East go the tremendous economic and psychological implications arising from direct participation by the United States.

It has been officially stated at Washington that the lease-lend programme will not be hampered, but the fulfillment of the promise may be politically difficult with 130 million aroused Americans crying for the diversion of more supplies to the East. In any event, it is highly probable that Canada's carefully husbanded stores of strategic materials will be placed at the disposal of the joint effort, which means that the civilian share is more limited than ever.

Only one tenuous thread supports the hope for a continuation of present living standards.

That hope would come true if the Japanese fleet were decisively defeated within the next month or two. But the Mikado's ships are numerous and swift.

Here are some of the things war with Japan can do to Canadian living standards:

It can put the family car in drydock next summer for want of new tires. It can take tea, spices, pineapple, and other things off Canadian tables, tinned foods off pantry shelves. Worsted suits may follow silk stockings into limbo. There may be no more cinnamon in cinnamon toast, no more seeds in seed-cake.

Vital items of war machinery such as engine bearings, tool steel, uniforms, vehicle tires, might be cut off by the Japanese blockade, and the repercussions of the U. S. entry into the war might have drastic effects on the supply of steel, tank and plane parts for Canada's weapon production.

In spite of this deep incision into the supply position, actual trade with Japan was cut off last July with scarcely any important effect on living standards.

Only major casualties were natural silk stockings, green tea (which we can get just as well in India or Ceylon), a few cotton goods and a handful of spices.

But the breaking off of trade relations with Nippon gave a precedent and an inkling of what the government will likely do in the immediate and far more serious situation.

Supplies of silk for parachutes are different in quality from the silk used in hosiery. But hosiery silk can be used for parachutes, and the total supplies were commandeered for this purpose. It was known that large stocks of parachute silk were on hand, some estimates ran well over a year's needs, but the government was taking no chances. No chances are likely to be taken with our stocks of the far more vital materials that are now in jeopardy. The government will likely put the restrictions on first, and not relax them until Japan has been kicked off the trade routes.

Rubber for 1½ Year War

Without curtailment, stocks of key commodities on hand in Canada and the United States would be sufficient for about four months or more of normal civilian demand plus defense needs, depending on the particular item. Because we have been following a policy of conservation with large government stockpiles, the most strategic materials are in the best supply position.

Rubber stocks in both Canada and the U.S. are estimated at about six months' supply at present rates of civilian and defense consumption. Complete removal of civilian consumption would stretch the rubber stocks to last perhaps a year and a half in the U. S., probably a shade longer in Canada.

North America is in a more vulnerable position regarding future supplies of rubber than any other commodity.

Well over 90% of the world's rubber comes from Malaya, the Netherlands East Indies and Burma. Small amounts can be had in South Africa and South America, where major supply sources could be developed over a period of years. The rapidly growing synthetic rubber industry in the United States could not as yet supply more than about 10% of that country's needs. No scarcity of materials for production of synthetic rubbers is likely to develop, and increased output is almost entirely a matter of plant expansion.

Although a smaller proportion of the world's tin, about two thirds, comes from the Far East, the possibility of developing new sources is even more limited. Bolivia provided about one-sixth of the total in 1940 and has stepped up since. Other small supplies can be had in South Africa and South America, but the backbone of the needs of the near future will have to be broken by stocks on hand.

Supplies on hand in Canada have been a closely guarded secret. But since tin and tea compete for the same cargo space, and tea has recently been entering Canada, it is highly probable that tin supplies were regarded as adequate in the past month or two. U. S. figures tend to bear this out.

Close to a year and a half's supply is reported on hand, allowing for civilian and military demand, or nearly three years' military requirements if civilians were cut off completely. The normal amount of reclamation of tin would add substantially to the lifetime of these reserves.

Moreover, about half the tin consumption of normal times goes into tinplate, mainly for the production of food cans. Use of cardboard containers for jams and honeys, and of glass jars for other foods packed under vacuum would cut domestic requirements in half.

Tweed Suits and Less Mutton

Wool stocks are also at a high level estimated at six months' supply for Canada, probably somewhat more than four months' for the U.S. The wool clip in Australia and New Zealand is still under way, began in October and several shiploads of wool are believed to be on the Pacific.

Normally, the United States approaches self-sufficiency in wool with Canada only about 25% of the distance to that goal. But the need of clothing an army has led the U. S. to import heavily from South America and the Antipodes, and Canada's requirements have been similarly stepped up.

Should serious delays occur in bringing in supplies from Australia, the near-term prospect would not be vitally affected, and over the longer term Canadian production could be substantially increased with probably some imported supplies available from South America.

There will be fewer lamb chops for Canadian dinner tables if we expand wool output, and there is likely to be an increase in the use of reworked material. Canadian businessmen who have been accustomed to wearing worsted and serge suits might have to switch to tweeds and other woolly fabrics which can be made from the reworked material.

The hardest hit consumers will undoubtedly be the tea-drinker and the car-driver unless there is a quick, favorable decision in the Pacific. From the war point of view, the plight of the tea-drinker is the less serious and it may prove a bonanza for Brazil, where they are still dumping coffee into the sea.

But if rubber supplies are cut so low that tire replacements are impossible, the situation will be serious. Up to 45% of Canadian city dwellers now travel to work in private automobiles. In the U. S. the average is higher and many key defense plants in both countries are almost entirely served by private transportation.

The actual threat of naval destruction of shipments from the east is probably secondary to the delays of convoying that are now inevitable. Only two definite facts are known about the practical implications of convoying. The ships will follow circuitous routes, at least while the Japanese navy is at large, and will keep to the pace of the slowest ship, probably not more than eight miles per hour.

One possible route for tea from Ceylon would be to convoy some 17,100 miles of water, probably at 8 miles per hour, a total of about 13 weeks. In normal times, the direct trip would not take much more than four weeks.

One Ship for Five

Add to that the penalties of sinkings, possible damage to docks, delays at convoy gathering points, unexpected detours en route, and it is not likely that the trip could be accomplished in less than five times the normal sailing period.

In other words, the available shipping is capable of carrying roughly one-fifth the total that it could have handled a week or two ago. A few fast convoys will probably be run through the Jap blockade to bring in vital materials, but obviously there won't be much space available for tea, spices and tires for pleasure driving.

By the simple fact of declaring war and threatening the trade routes, Japan has weakened our supply lines as if she had put out of commission for the time being some four-fifths of Pacific shipping available to the democracies.

Now We are ALL In the Front Line

Our stock piles of critical materials, rubber, tin, wool, are sufficient to care for defense needs for the coming year at least — but only if civilian use is cut to the bone. This points to consumer rationing.

Our Pacific shipping has its efficiency cut to a fifth of previous levels, as the convoy system has to be introduced.

Our supplies of U. S. materials for our war industries are assured by Washington. But with the U.S. in shooting war, the supplies available are expended faster and will probably be spread thinner.

Supply situation on U. S. engines for Canadian airplanes said good. See p. 1.

Canadian war industries getting over third of our steel from the U. S. See p. 1.

Our stock markets reflect seriousness of latest developments, influenced by drastic declines in New York. Our bond markets hold with relatively small losses. See pages 4 and 5.

Our wheat markets are confused, but price changes are comparatively small. See page 17.

Our direct financial stake in the Far East, now chiefly confined to a few life insurance companies and Ford of Canada, is small. See page 1.

Through Wars, Economic Upheavals, Years of Good Crops and Bad The Canadian Chartered Banks Have Withstood the Severest Tests

71st Annual Meeting of Shareholders

THE DOMINION BANK

Price control requires unified co-operation of all and should receive that co-operation.

President C. H. Carlisle and General Manager Robert Rae address Annual Meeting.

Commercial loans, deposits and total assets highest in Bank's history.

At the 71st Annual Meeting of The Dominion Bank held at the Head Office in Toronto on Wednesday, December 10th, the President and General Manager addressed the shareholders.

The President, Mr. C. H. Carlisle, was in the chair.

The Address of Mr. Robert Rae, General Manager

The Bank's profits for the year, after deducting taxes of $449,004., up $78,839., from the previous year, were $939,322., compared with $958,788 for the previous twelve months. All things considered, we feel that you will regard this as a satisfactory showing.

After paying the dividends, $700,000., making a contribution of $85,000., to the Officers' Pension Fund and writing $150,000., off Bank Premises, the Profit and Loss Account stood at $865,511.

Turning to the Balance Sheet, a copy of which is before you:

Notes of the Bank in Circulation were $4,189,539., a decrease of $571,545., due to compliance with the reduction in note circulation called for under the Bank Act.

DEPOSITS AGAIN INCREASE

Total Deposits were $143,151,534., an increase of $12,740,017., over those of a year ago. They consist of deposits by the public bearing interest, $83,261,707., an increase of $2,639,387., those not bearing interest, $48,710,903., up $7,635,064., and Dominion and Provincial Government deposits of $11,178,000., which show an increase of $2,465,567., compared with similar totals of twelve months ago.

Deposits by and Balances due to other Chartered Banks in Canada and Banking Correspondents elsewhere than in Canada (principally in England and the United States) total $3,264,990., approximately the same as a year ago.

Acceptances and Letters of Credit Outstanding total $2,329,227., a decrease of $2,004,078., compared with a year ago. This is a temporary condition, accounted for by a Government agency handling certain commodities, which business will, however, return to us shortly.

CASH AND LIQUID POSITION STRONG

The Cash Assets of the Bank total $33,889,378., and were equivalent to 22.39% of the Liabilities to the Public. The readily realizable assets, including Government, Municipal and other Bonds, as well as Call and Short Loans, amounted to $80,131,481., or 52.94% of the Public Liabilities, compared with 51.43% in 1940—a satisfactory liquid position.

Total Investments of the Bank in securities amounted to $42,648,169., an increase of $4,158,409, over a year ago and are entered on the statement at less than market prices. You will observe that of this total $39,877,448. is composed of Dominion, Provincial and Canadian Municipal Bonds, of which 76% mature within five years.

Call and Short Loans in Canada against readily marketable stocks and bonds, stand at $1,507,034. and show a decrease of $762,688. compared with a year ago, reflecting the present dullness in our security markets.

Call and Short Loans elsewhere than in Canada amounted to $1,867,728.—an increase of $319,835. These are fully secured advances made at our New York and London Offices.

CURRENT LOANS SHOW EXPANSION

I am pleased to report a further increase in Commercial Loans and Discounts in Canada, which amounted to $78,817,398., up $4,660,011., due principally to financing required by our customers for war contracts. These advances are now at the highest level in the history of the Bank.

Loans to Provincial Governments and to Cities, Municipalities, etc., total $950,775. compared with $1,247,842, a year ago—an unimportant fluctuation.

Non-current Loans stand at the nominal amount of $146,165. and show a decrease of $34,783. Full provision has been made for all possible losses.

Other Current Loans elsewhere than in Canada, $700,191., compared with $1,242,844., a year ago, represent temporary self-liquidating transactions in London and New York.

BANK PREMISES

Bank Premises Account now stands at $5,386,931., a decrease of $100,641. from a year ago. Following extensive alterations to the premises, our main Hamilton Office was moved to new quarters at the north-west corner of James and Main Streets in January last. I am sure the business to be gained through being established at that important point, will amply justify the change. An office is still being maintained at the old location at King and McNab Streets. In view of present conditions, no expenditures on premises are being made except in cases where alterations or improvements are absolutely necessary—growth of business, however, required the enlargement of the Bloor and Sherbourne Streets Branch, Toronto, and the alterations are almost completed. A Branch was opened at Queen's Quay, Toronto, in a district hitherto unsupplied with banking facilities. In the neighborhood are the headquarters of many commercial and manufacturing organizations.

A LOYAL AND EFFICIENT STAFF

One very valuable asset which does not appear in our Balance Sheet is our Staff. We consider ourselves very fortunate in having a most loyal and efficient organization, without whose ability we could not have achieved our present position. 204 members of our Staff have been granted indefinite leave of absence for military service, and to them we extend our good wishes. I regret to say that three of them have made the supreme sacrifice. The duties of all these men have, in large measure, been assumed by women clerks, who now number 525 of a total staff of 1,434. May I once more express my appreciation of the willing co-operation of all our employees during a difficult year. The volume of work imposed by reason of war-time regulations has meant added hours of labour which, I am pleased to say, have been cheerfully given.

Our Staff in London, England, continue to carry on under great difficulties. We are proud of the courage they have shown in their daily tasks and of the unselfish devotion they have displayed in assisting in civilian defence.

I should like to take this opportunity of expressing my personal thanks to the President and all the members of the Board for the invaluable assistance they have given me in the complex problems which have arisen from day to day. They are always available for consultation and I have availed myself fully of their advice and experience.

In conclusion, may I say that we are fully cognizant of the important part we must play in the financial life of the Dominion during the coming year. The Dominion Bank is in a sound condition and is fully prepared to assist to the fullest extent in the Nation's war effort.

The Address of the President, Mr. C. H. Carlisle

The Balance Sheet for the fiscal year ending October 31st reflects the strong position of the Bank. Commercial loans, deposits and total assets are the highest in the Bank's history. Its liquid position has been well maintained. During the year no major losses have been sustained. On the other hand, the yield from securities reached an all-time low. New taxes have been added. Other taxes have been increased. A comparison of the taxes paid five years ago—that is, in 1936—with taxes paid in the fiscal year, shows an increase of one hundred and twenty-two per cent. Owing to war conditions the year's work has been most difficult; the staff, through its courage and co-operation, has met these conditions and overcome them. This is appreciated by both management and your Directors.

BANK MERITS CONFIDENCE

On February 1st seventy years ago The Dominion Bank opened its doors for business, and has continued along the path designed by its founders. It has neither foregone a dividend, nor defaulted in any of its obligations; neither has it merged with nor absorbed any other banking institution. It has given, both within and without Canada, a faithful and adequate service to its clientele. It contributes yearly large amounts of money to the Employees' Pension and Insurance Funds. It has paid, and is paying, in whole or in part, taxes accruing on employees' salaries received from the Bank. From the service rendered over many years, your Bank has merited the confidence of the public, received that confidence, retains that confidence to-day, and will always try to be worthy of its continuance.

GOVERNMENT REGULATES BANKS

1941 is not only the Seventieth Anniversary of the Dominion Bank, but the One-Hundredth Anniversary of the first uniform system of banking and currency in this country, set up by one of the first Acts of the Legislature following the Union of the Provinces of Ontario and Quebec in 1841. Following Confederation in 1867, The Bank Act was revised in 1871 and since then periodical revisions have taken place practically every decade. At all times our Banks have been chartered by Parliament and regulated by responsible Government elected by the people they serve. The Chartered Banks have issued their own notes as paper money within limitations set by law. Their shareholders are subject to additional liability to the extent of such issue. The Banks not only report their monthly operations to the Government, but for many years have opened their books and their records to shareholders' auditors, and the Inspector General of Banks approved or appointed by the Government. As a further safeguard. Banks are not permitted to make loans against real estate or other fixed assets, the object being to keep the Banks in a liquid position at all times. The result of the foregoing regulation is that the Canadian Chartered Banks are sound, not only in their financial strength but in their basic operations.

FUNCTIONS OF THE BANKS

The principal functions of Canadian Chartered Banks are to accept deposits; to discount and make loans for commercial and, at times, for Governmental purposes; to deal in foreign exchange as agents for the Canadian Foreign Exchange Control Board—thus facilitating the import and export trade of the country; to collect and transmit funds between banking points, and to carry on such business generally as appertains to the banking business. Through wars, through economic upheavals, through years of good crops and bad, the Canadian Chartered Banks have withstood the severest tests, and have never failed to perform well the duties incumbent upon them.

A MAINSTAY OF OUR COUNTRY

The depositors have confidence in the Canadian Chartered Banks, as is reflected by their deposits of three billion, four hundred and ninety-three millions of dollars. They know they can, at all times, get their money in accordance with the terms of their deposit.

The Canadian Chartered Banks at the present time have loaned to worthy borrowers, in amounts both large and small, one billion, four hundred and fifty-eight million, three hundred and forty-eight thousand dollars, and have also invested in Federal, Provincial and Municipal securities one billion, five hundred and thirty-nine million, four hundred and ninety-eight thousand dollars. These vast sums are distributed to about every phase of commercial activity, and as well to the home-builder and, for specified periods, to Governments. Thus the Canadian Chartered Banks become one of the mainstays of our country.

HIGH DEGREE OF EFFICIENCY

At the time of the passage of earlier Bank Acts, the people had little experience in domestic or international banking. Due to this circumstance, the Acts proved in time inadequate and did not provide the safeguards that were essential. The result was that banks were often established without sufficient capital, usually inefficiently staffed and in some cases it would appear that some banks were established for unworthy ends, or for the direct purpose of fraud. During this period thirty-five banks failed, thirty-nine were absorbed by other banks and seven were liquidated. The present operation of our Canadian Chartered Banks marks the evolution of banking from that of the earlier days. From a state of inefficiency and chaos we have to-day a system which compares favourably with that of any other country throughout the world.

BANK OF CANADA'S FUNCTIONS

The Bank of Canada is essentially a central bank. Its principal functions are to regulate credit and currency; to control and protect the external value of the national monetary unit, to mitigate fluctuations in the general level of production, trade, prices and employment, and to promote the economic and financial welfare of the Dominion. Such an institution should be of great assistance to Government in banking and currency legislation. The Bank of Canada, since its inception, has been under competent management and is performing, in this time of stress, an essential service which would be difficult to over-value. At the time of its establishment there was some apprehension that it would be under political domination and, therefore, fail in its purpose; that it would likely retard and impair the proper functioning of Chartered Banks. Its operations, however, I think, distinctly prove that it is free from political influence and has been a help rather than a hindrance to Chartered Banks.

The Bank of Canada and the Chartered Banks perform distinct and separate services which do not conflict, the one with the other. These services are vitally essential to the functioning of Canadian Governments and Canadian business.

INFLATION OR FIAT MONEY

History shows that over a long period of time, and in many countries, there have been groups of people and sometimes governments that have attempted to cure their financial ills by inflation or the use of fiat money. I know of no instance where success has been achieved by such a method, but on the other hand the results have been of a most disastrous character.

As early as the year 1784 or 1786 a group of people in the State of Rhode Island devised a monetary scheme which they claimed would be of great benefit in dealing with their finances, which at that time were causing them a great deal of concern. They petitioned the General Assembly but, after the Assembly had given this scheme thorough study, it was rejected.

FAILURE OF "PAPER MONEY" SCHEME

A new political party was organized with paper money as its chief principle. This party, through its propaganda and because of inadequate study of the scheme by the electorate, won the election. It introduced its monetary reform but, when the people became conversant with the new monetary system, they refused to accept it. Thereupon the Government undertook most drastic means to enforce its acceptance — even to the dismissal of judges of the court who had ruled against the legislation. The Government inflicted punishment on those who opposed the measure, but, owing to the utter unsoundness of the whole scheme, in a short time it collapsed and fell of its own weight.

EXPERIMENTS WITH INFLATION

During and immediately following the last war Germany, France, Italy, Russia, and likely others, resorted to inflation. It was not long until inflation got out of control and to such an extent that the currency became worthless, or almost worthless. In 1923 Russia brought out a new currency and made an exchange for the old one on the basis of one to one-million. In Germany the currency became entirely worthless. A basketful of it would not even buy a box of matches. The results were that the individual had lost all—whether it was much or little; his insurance became worthless and money which he had saved or had loaned had now no value; the currency he received from his labor would not buy him a meal or clothing; it was a case of a bankrupt who would have to begin all over again, for all that he had worked for and saved — that could be measured in monetary value — had disappeared.

REVOLUTIONARY CHANGES BRING LOSS

Notwithstanding such experience there are to-day people and groups of people who advocate what is really inflation or fiat money. We have in Canada groups such as "Monetary Reformers" or "Social Creditors"; they advocate changes in our proven monetary system that, in effect, would be revolutionary. One of our Provinces has enacted legislation somewhat along these lines. The most important part of such legislation has been found unconstitutional by the Supreme Court of Canada, in other cases by the Privy Council and in other cases the legislation was disallowed by the Dominion Government. Further, that Province introduced Treasury Branches which proved of very material loss to the Province as shown by the Annual Report of the Provincial Treasurer. According to the report, in a period of two years the loss sustained was approximately seven hundred and twenty-one thousand dollars.

PROMISED "REFORM" FAILS

In addition to these attempted "reforms," election promises were made such as interest free loans, a bonus payment to each individual of twenty-five dollars per month, etc. These "reforms" and promises, owing to their unsoundness, failed. Therefore, it is difficult to ascertain wherein the attempted "reforms" and promises have in any way benefitted the people of the Province — and especially when their Province is in default in meeting its monetary obligations. It is fortunate that the Federal Government, through its authority and control over currency and financial institutions, is a safeguard for the people against undesirable legislation.

TO CONTROL INFLATION

At present our Government is attempting to control inflation and to maintain sound money. There are two principal manifestations of inflation; one is the issuing of a greater amount of money or currency than is essential to carry on business, public and private; the second is the abnormal increase in price due to purchasing power exceeding the power to produce. A stabilized currency should at all times bear relation to the required volume of business. The basis of sound pricing is economic costs. It is necessary for the individual, corporation and Government to keep this in mind. It is quite apparent that improvement is always possible and should be made wherever it can be made. Price control is necessarily a complicated operation, but we will hope at least that it will prove a possible operation. It requires the unified co-operation of all and should receive that co-operation.

MANY INEQUALITIES TO ADJUST

In the implementing of price control there will be many inequalities to be adjusted. If efficiently administered, these adjustments will require to be made quite rapidly. Once such adjustments are made there should be no major difficulties. In normal conditions we would be opposed to regimentation, but we are in abnormal times which are most serious and, therefore, require abnormal treatment. It is to our interest to willingly endure a temporary unpleasant condition to avoid the catastrophe to each and all of us that must necessarily follow inflation—and this is especially true of the wage earner and the person of small or moderate means.

SUPERVISION OF CHARTERED BANKS

The Dominion Government has, by legislation, very ample control and supervision over our Chartered Banks. Such supervision is both necessary and constructive. The operations of Chartered Banks enter into nearly every phase of our activities, both national and international. Supervision, therefore, from every standpoint is essential. It would be difficult to imagine anything more disastrous than a strangling, from any cause, of Canada's credit and money organization. In the unparalleled crisis of this war such a thing obviously cannot be contemplated or permitted.

OUR FUTURE IN THE MAKING TO-DAY

The people of Canada have a high degree of intelligence and fairness. Therefore, they are conscious of the seriousness of the time through which we are passing. Our liberties are at stake. Our future is in the making to-day. Our efforts, both individually and collectively, must be to maintain, to build and to create even better conditions—or else to suffer the penalty of things done wrong. A glance over the world during this last quarter century shows that such penalty may be terrible indeed.

I move the adoption of the report.

THE DOMINION BANK

Seventy-first Annual Statement

Balance of Profit and Loss Account, 31st October, 1940			$ 861,188 76
The Profits for the year ended 31st October, 1941, after making appropriations to contingency accounts, out of which accounts full provision for bad and doubtful debts has been made, and after deducting Dominion Government Taxes of $449,004.93 amounted to			939,322 24
			$ 1,800,511 00
Dividends (quarterly) at ten per cent. per annum		$ 700,000 00	
Contribution to Officers' Pension Fund		85,000 00	
Written off Bank Premises		150,000 00	
			935,000 00
Balance of Profit and Loss Account carried forward			$ 865,511 00

GENERAL STATEMENT
31st October, 1941

LIABILITIES

Capital paid up			$ 7,000,000 00
Reserve Fund		$ 7,000,000 00	
Balance of profits as per Profit and Loss Account		865,511 00	
Dividend No. 236, payable 1st November, 1941		175,000 00	
Former Dividends unclaimed		2,245 31	
			8,042,756 31
Total Liabilities to the Shareholders			$ 15,042,756 31
Notes of the Bank in circulation		$ 4,189,539 00	
Deposits by and balances due to Dominion Government	$ 9,436,815 29		
Deposits by and balances due to Provincial Governments	1,742,108 50		
Deposits by the public not bearing interest	48,710,903 46		
Deposits by the public bearing interest, including interest accrued to date of statement	83,261,707 33		
		143,151,534 58	
Deposits by and balances due to other Chartered Banks in Canada		2,258,369 90	
Deposits by and balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		1,006,621 95	
Liabilities to the public not included under the foregoing heads		751,625 81	
			151,357,691 24
Acceptances and Letters of Credit outstanding			2,329,227 78
			$168,729,675 33

ASSETS

Subsidiary coin held in Canada	$ 293,754 98		
Subsidiary coin held elsewhere	233 97		
		$ 293,988 95	
Notes of Bank of Canada	$ 2,859,056 75		
Deposits with Bank of Canada	13,509,003 96		
		16,368,060 71	
Notes of other Chartered Banks		148,250 00	
Government and Bank notes other than Canadian		193,704 86	
Cheques on other Banks		8,224,337 89	
Due by Banks and Banking Correspondents elsewhere than in Canada		8,661,036 16	
		$ 33,889,378 57	
Dominion and Provincial Government direct and guaranteed Securities, maturing within two years, not exceeding market value		19,211,552 81	
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value		19,060,248 88	
Canadian Municipal Securities, not exceeding market value		1,605,646 28	
Public Securities other than Canadian, not exceeding market value		888,732 03	
Other Bonds, Debentures and Stocks, not exceeding market value		1,881,989 61	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		1,507,034 50	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		1,867,728 39	
Deposit with the Minister of Finance for the security of note circulation		219,170 00	
			$ 80,131,481 07
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for		$ 78,817,398 51	
Loans to Provincial Governments		644,830 92	
Loans to Cities, Towns, Municipalities and School Districts		305,945 22	
Current Loans and Discounts elsewhere than in Canada, not otherwise included, estimated loss provided for		700,191 88	
Non-current Loans, estimated loss provided for		146,165 89	
Bank Premises, at not more than cost, less amounts written off		5,386,931 20	
Real Estate other than Bank Premises		26,171 60	
Mortgages on Real Estate sold by the Bank		38,432 80	
Other Assets not included under the foregoing heads		202,898 46	
			86,268,966 48
Liabilities of Customers under Acceptances and Letters of Credit, as per contra			2,329,227 78
			$168,729,675 33

C. H. CARLISLE, *President.*   ROBERT RAE, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS

We Report to the Shareholders of The Dominion Bank:—

That we have examined the above Balance Sheet as at 31st October, 1941, and compared it with the books at Head Office and with the certified returns from the branches. We have examined the cash, and the securities representing the Bank's investments, held at the Head Office and certain of the larger branches as at 31st October, 1941, and in addition we examined the cash and the securities held at certain of the important branches during the year. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.,
of Peat, Marwick, Mitchell & Co.
W. D. GLENDINNING, F.C.A.,
of Glendinning, Gray & Roberts.

TORONTO, 18th NOVEMBER, 1941.

Ottawa Puzzles How to Boost Man Power

From Our Own Correspondent

OTTAWA.—The accent of government in the months to come will be increasingly on the human element of war production, as against the mechanical element—machines, plant capacity, materials, etc.

There is evidence of increasing recognition of the fact that the ultimate limit of Canadian war production will be determined by man power, and that, accordingly, this is the key to the "all-out" war effort demanded by government critics, and laid down by Rt. Hon. Arthur Meighen as the new platform of the Conservative party.

Since first approach to the problem is statistical, a new survey of man power has been made, and while results of this survey are secret, government property, it is now being analyzed and tested for authenticity.

One plan now being considered, according to reliable reports, is to call before an examining board a vast section of Canadian manhood and determine the best use to be made of him in the light of the nation's need. If the idea is approved, all Canada's man power would be examined as to the advisability of leaving the individual in his present task, changing it to some other industry, or possibility of calling the man up for service in reserve army for home defense work.

A year ago, according to a recent study made by the Dominion Bureau of Statistics, there were in Canada a total of 2,948,000 wage earners of which 2,762,000 were actually at work, leaving an unemployed balance of only 186,000.

By April of this year, number of wage earners employed had risen to 2,995,000, indicating that the balance available is now very much slimmer or virtually non-existent.

Untouched Resources

It is patently an over-simplification of the man power problem to say that it consists merely of devising ways of getting the surplus to work, or to decide whether to put it in uniform or at the work bench.

Pools of labor not yet really tapped comprise

The new generation of workers who enter the employment market each year.

Workers in essential industries which are not using their full working capacity or qualifications.

Workers in non-essential industries.

Persons living on private incomes or who do not ordinarily look for paid employment, such as married women, etc.

Immigrant workers who may be induced to come here.

Already Has Power

To exhaust all these potential supplies of man power is the job the government is setting itself. It already has sufficient authority under clause two of the National Resources Mobilization Act. This clause provides the government with sufficient authority, if it is used, to initiate compulsory selective service within the geographical boundaries of Canada, and it is the clause under which the government now intends to act.

It is felt by labor authorities here that one of the first effects of this coming crusade will be to get more and more married women into vital war production spots, completely reversing the sentiment of a few years ago, when the employment of married women was considered not in the public interest.

Up to the present time application of the National Resources Mobilization Act has been very limited, being largely confined to the National Registration of Aug., 1940, and to the four month compulsory training scheme.

The intention now is to enforce the act much more completely, not only for actual military purposes but industrial as well.

Shifting Responsibilities

On the industrial side, increased emphasis on the problem of man power is expected to bring about changes in the government's labor machinery, first of which changes has been the appointment of the National War Labor Board, of which Humphrey Mitchell is chairman. Since this board will, in addition to its job of administering the wage and cost-of-living bonus order in council, of necessity assume some of the work of the National Labor Supply Council, future of this latter body is not clear. Its functions may be merged entirely with those of the National War Labor Board, although nothing official on this point has been stated.

Chief task of surveying present and future labor requirements and resources has fallen to a body known as the Inter-departmental Committee on Labor Co-ordination, formed of representatives of the several government departments vitally interested in the labor question.

An agency of the Co-ordination Committee is the Wartime Bureau of Technical Personnel whose duties are to organize the placement of chemists, engineers, and other highly skilled professions in war industries and in the government service.

All in all, it is believed there is now existing sufficient machinery to handle this expected drive for complete mobilization of Canadian industrial man power.

Military Needs

There remains the question of mobilization for military purposes, how far this should be allowed to interfere with the industrial needs—as interfere it must. It has been frankly admitted that the army is not getting enough recruits to meet its present needs.

Miles of Trouble for the Nazis

—Defense Industries Limited photo.

Here are war products from a fast-growing Canadian munitions plant. Every tracer bullet that comes off the production line is hand-inspected for surface flaws in addition to its chemical, metallurgical and natural firing tests.

Profitable Short Date Investments for Surplus Funds

3% Guaranteed Trust Certificates
12 months

Guaranteed Deposit Certificates 2½%
$500 and over
Withdrawable on 10 days' notice

Limited sums accepted

The CANADA TRUST COMPANY

London
Hamilton
Windsor
Chatham
Regina
Vancouver
Toronto
Montreal
St. Thomas
Victoria
Edmonton
Winnipeg

London Stock Exchange Group Hits Montreal Plan

From Our Own Correspondent

MONTREAL.—Provisional committee of the London Stock Exchange appointed to protect the interest of holders of London issues of Montreal loans has protested against the Montreal debt settlement plan and said default would be a severe blow to the whole structure of Canadian credit.

According to a cable despatch, the statement issued to the press said the London market always had understood that issues made there for the Dominions, Colonies and overseas municipalities carried with them the understanding that the terms of the prospectus could not be altered by any subsequent local legislation.

It added that the committee, therefore, was "surprised" to learn that there were plans to "override" that principle. It also claimed British stockholders were not consulted regarding the proposed changes.

C.N.R. Revenue Up In October

Advance in Expenses Tends to Keep Down Net Returns

From Our Own Correspondent

MONTREAL.—Higher operating expenses cut into increased gross revenue, but net operating income of the Canadian National Railways for October was above average in recent years.

Operating revenues last month totalled $28.7 millions, an increase of nearly $5.8 millions over the like month last year. Expenses increased by nearly $5 millions, leaving net revenue at just over $6 millions, a gain of $797,407 over Oct., 1940.

Near $50 Million Mark

For the first ten months of the current year, the C.N.R. had an operating revenue of $249 millions, an increase of $47.6 millions over the same period a year ago. Expenses were higher by $26.2 millions, leaving net revenue at $54.6 millions. This represents a gain of $21.4 millions over that reported for the first ten months of 1940.

Comparative figures on the operating returns for October and the 10 months ended Oct., 1941 and 1940 respectively follow:

	1941 $	1940 $
October		
Oper. revenues	28,760,510	22,984,979
Oper. expenses	22,721,781	17,743,657
Net revenue	6,038,729	5,241,322
Aggregate to Oct. 31		
Oper. revenues	249,072,521	201,400,970
Oper. expenses	194,444,466	168,191,332
Net revenue	54,628,055	33,209,638

Foreign Exchange

During the week Dec. 2 to Dec. 8 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Dec. 8

Australia ...	3.58	N. Zealand ...	3.61
India	.3353	S. Africa	4.47
Hong Kong	.2835		

Signed.... WITH CONFIDENCE

Confidence that is born of quality and dignity gives an added sense of security.

You can sign with confidence when your business letterhead is of Superfine Linen Record. This finest of fine papers has the feel, the appearance, the atmosphere of quality, and is the preferred choice of business executives who believe in the importance of fine paper

SUPERFINE LINEN RECORD

100% clean, new-rag paper. Defies the ravages of time and is the most desired paper for important letters, deeds and other documents. Ask your lithographer, printer, or engraver about Superfine Linen Record.

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Maritime Tel. & Tel.

Would you be so good as to let me have your views on Maritime Telegraph & Telephone bonds, 4%, 1967.

Maritime Telegraph and Telephone 4% bonds, due 1967, are rated as a sound investment. This company has been experiencing a record demand for its services. Currently the company has more stations installed than at any time in its history, while the volume of long distance toll traffic is also of record proportions.

Indications are that revenues for 1941 will be the largest ever reported. Last year the company earned its bond interest 3.64 times, a very satisfactory margin of safety for a bond of this type.

Nova Scotia Light

As a subscriber to The Financial Post, I would like to have information on 6% preferred stock of Nova Scotia Light and Power Co.

Nova Scotia Light & Power Co.'s operations since the beginning of the war have expanded very materially and at present are on a record basis. The heavy influx of war service organizations into the territory served by the company, together with other wartime activities, has been reflected in the very sharp increase in earnings.

Last year net income of $1,275,088 compared with $1,076,008 the year before. Earnings on the preferred stock amounted to $16.05, as against dividend requirements of $6. The preferred stock is a good investment medium, not only because of stability of operations over a long period, but also because the dividend has been covered by a substantial margin.

Dominion Tar

Would you consider Dominion Tar & Chemical preferred as having a distinctly improved outlook and worthy of consideration at today's prices?

Dominion Tar & Chemical Co.'s preferred stock is regarded with favor as an investment medium. The company is dominant in its own particular field and its earning power has recorded a sharp improvement in the last two years. During 1940 earnings on the preferred stock amounted to $11.36 a share, as against $12.20 the year before. This contrasts with dividend requirements of $5.50 a share.

Currently earnings are running ahead of 1940, with all divisions operating at capacity and sufficient orders on hand to maintain operations for the remainder of the year. While operating costs and taxes will be higher, it is anticipated that the report for 1941 will make just as favorable reading as did the 1940 statement.

Brantford Roofing

Can you provide me with some information on the current position and market value of Brantford Roofing 5% bonds due in 1959?

We are told that the current market on the new 5% bonds, due 1959, of Brantford Roofing Co., is around 84 to 86. There has been some appreciation on these bonds in recent weeks. Trading is inactive and the company's balance sheet as at the end of October, 1940, showed only $166,200 of these held by the public. Last year the company had gross earnings of $170,879, and reported $69,000 after providing for expenses, interest and depreciation. The company's working capital position is rather restricted with current liabilities slightly greater than current assets. The present bonds were issued in exchange for the old 6½% bonds a few years ago.

Tamblyn's

I would appreciate any information you can give me on the current position of Tamblyn's. How do you think they will fare under the new ceilings?

G. Tamblyn, Ltd., operates a chain of drugstores in Ontario, having 69 stores at the end of last year, of which 47 were in Toronto. Last year the company earned $1.02 a share on its common compared with 96 cents a share in 1939. In October, the president reported that profits to date this year compare most favorably with those of 1940, in spite of higher costs and increased taxes. Sales have generally been better than last year. Earnings of this company have proved relatively stable over the past five or six years. What is likely to happen in the future is hard to foretell. Undoubtedly the new ceiling on the prices must be considered but sufficient details are not yet available to give any estimate of how it might affect this company. Generally speaking, it seems as though a large unit like Tamblyn's might fare somewhat better than smaller individual retailers. The company has established a regular 80 cents a share annual dividend on its common stock and it has a record of payment of dividends on its preferred since 1928.

Industrial Acceptance

In bonds, at today's prices, do you consider Industrial Acceptance 4's reasonably safe and having possibly future investment merit.

Industrial Acceptance Corp. 4% convertible 15-year notes should prove to be a satisfactory holding for you. Interest requirements have been earned by a wide margin in recent years. The restrictions in the production of automobiles, radios, etc., which are ordinarily financed by this company are expected to have an influence upon the earnings and operations of the company during 1942. To the end of last October the company had not been affected by these restrictions. However, the management realizes that its gross volume of financing next year will be affected adversely. At this stage it is difficult to say how the restrictions will affect earnings, but, in any event, net income should be sufficient to cover the note interest.

Can. Terminal System

Will you please let me know the market value of Canadian Terminal System bonds and whether or not the company is paying interest?

There is no active market for the bonds of Canadian Terminal System Ltd. We did hear some time ago of some sales going through around 10, but this was so long ago that the figure cannot be taken as the value of the security. Our most recent information indicates that no interest is being paid on the 6% bonds.

Consolidated Paper

I would be very pleased to receive information relative to the bonds of Consolidated Paper Corp. I am interested in the present condition of the company as it relates to the possibility of the market depressing or increasing the price of the bonds.

Consolidated Paper Corp. bonds are not without attraction. Over the course of recent years the company has greatly improved its financial position, a deficit on working capital account in 1935 of $5.2 millions, being converted into a favorable balance of over $12 millions. All the underlying debt has been liquidated as well as bank loans. This improvement, of course, reflects a sharp gain in earning power.

In 1940 the bond interest was earned 3.08 times before depreciation and 1.46 times after depreciation. Indications are the company should have no difficulty in earning its bond interest during the wartime period. It is difficult to appraise the postwar situation at this stage, but prospects are that the company will have worked itself into such a strong financial position by that time, that it will be able to be in a position of fully servicing its bonds in the face of much stiffer competition.

On the basis of present market values, the bonds return a high yield. While the record of the industry does not warrant payment of a premium, still it would appear that there is room for improvement in the market value of the bonds, especially if the company continues to bring out reports like that for 1940. This company should be able to do, at least as long as the war lasts.

Second Inter-State Royalty

Will you kindly advise whether there is any market for the class A and class B shares of the Second Inter-State Royalty Corp. and if so, the current price of the stocks?

Class A and class B shares of Second Inter-State Royalty Corp. Ltd. are listed on the Montreal Curb Market. There is no "current price" on these stocks, as they have not been traded in for many months.

Can. Investment Funds

Would you be kind enough to let me have some information on Canadian Investment Fund?

Canadian Investment Fund is an investment trust of the management type which to date has done comparatively well. The company was established in 1932 and has paid dividends regularly since 1933. In its interim financial statement for the six months ended June 30, 1941, total income of $230,139 was reported. This indicates an improvement over last year when for all of 1940 gross revenue amounted to $443,802.

Balance sheet as at June 30 last shows assets of nearly $8.5 millions, against which the market value was fractionally under $7 millions. For the six months ended June 30 last per share net asset value declined 6.83%, but for the 12 months period ended on that date per share net asset rose by 3.96%.

Woods Manufacturing

Woods Manufacturing Co. has been getting a large share of war contracts. They also made a large capital expenditure on factory improvements for 1937-38-39, bringing the net up to date in all respects. What is your opinion of the preferred stock of this company?

Woods Manufacturing Co.'s operations continue at capacity. The company's plants are especially suited to production of a wide range of war materials and equipment. In addition, the company's position in the domestic market has been maintained.

Last year net profits amounted to $55,599, as against $99,020 in 1939. The decrease was due to increased appropriations because of wartime conditions. For example, a reserve for future depreciation in inventory values was set up, while the depreciation for reserve was higher. These two items total over $225,000, an amount not far short of $14.75 a share on the preferred stock.

There is a real improvement in the company's earning power as indicated in the net working capital which increased from $936,582 to $1,171,931. For the duration of the war, the company should be able to show substantial earnings.

The long-term outlook for the company, however, is not so definite. In the pre-war years earnings of the company were highly erratic and at the end of last year arrears of dividends on the preferred stock amounted to $70 a share.

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RECORD BUSINESS AND EMPLOYMENT

A. E. Arscott, General Manager, The Canadian Bank of Commerce, Notes 60% Increase in Industrial Production Since 1939

WAGES INCREASE OVER $500,000,000 IN PAST YEAR

S. H. Logan, President, Gives Composite Picture of Allies' Great Forces

At the Annual Meeting of Shareholders of The Canadian Bank of Commerce, held in the Head Office of the Bank in the City of Toronto, December 9th, Mr. S. H. Logan, President, and Mr. A. E. Arscott, General Manager, presented the Annual Statement of the Bank's operations in the past year, together with a review of Canada's war efforts, and Canadian business as a whole. Mr. Arscott's address at the meeting follows:

While this is the Seventy-fifth Annual Meeting of the Shareholders, the Bank will not actually be seventy-five years of age until May, 1942. This apparent anomaly is due to the fact that the Bank changed its fiscal year in 1901 and in consequence held two Annual Meetings within six months of one another.

The Balance Sheet presented today shows some substantial changes compared with that of last year.

Total Assets of the Bank are $761,407,000, an increase over last year of $56,927,000. The major items accounting for this increase are the security holdings and Current Loans and Discounts in Canada.

Total Quick Assets are $427,432,000, being the equivalent of 60.20 per cent. of the Bank's Total Liabilities to the Public. Our total Cash Reserves are $119,206,000, represented by Notes of and Deposits with the Bank of Canada and Notes of, Cheques on and Deposits with Other Banks, or 16.79 per cent. of the Total Liabilities.

ASSETS

Current Loans and Discounts in Canada at $249,126,000 increased by $29,179,000, as compared with an increase of $18,172,000 the previous year. This further substantial addition to Current Loans is principally the result of the demands of industry in connection with war activities. Current Loans outside Canada are $18,344,000, an increase of $1,133,000.

LIABILITIES

Our Total Deposits at $668,225,000 are the highest in the history of the Bank. The increase for the year was $53,151,000, distributed over the various classes of deposits as follows:

Deposits not bearing interest	$41,515,000
Interest bearing Deposits	2,824,000
Dominion and Provincial Government Deposits	8,139,000
Deposits by other Banks	673,000

CANADA'S ECONOMIC RECORD

We have been at war for over two years and the changes which have taken place in the economic sphere of the Dominion, mainly in the past year, are unprecedented in the history of Canada. Industry, mining and some major sections of forestry established new production records. Construction attained the greatest volume since 1930. Farm purchasing power increased recently to a ten-year peak. Employment also was at a record level, the increase in the number of workers during the year being greater than in all the preceding decade, with wage payments rising by nearly one-third or by over $500,000,000.

An increase of 30 per cent. in industrial production in the past year and of 60 per cent. since August, 1939, has effected a structural change without parallel in Canada's economic system. The rise in industrial output in a little over two years actually exceeded that estimated to have taken place in the entire war period of 1914-1918, when Canada utilized practically all her available man and machine power for military and armament purposes. So pressing have been the requirements of the present conflict and so adaptable has Canada proved in this emergency that her industrial output has increased in such record proportions that it now accounts for nearly half of all her production and, combined with mining, construction and forestry, for over 70 per cent. of all national economic activity. Indeed, our industrial development since August, 1939, has been greater than that recorded in the preceding ten years, several of which were themselves notable for industrial growth.

NEW PURCHASING POWER

This expansion of industrial activity since the outbreak of war has created purchasing power also of record proportions and it is evident that the greater part of this has been used to meet the deferred requirements of many who were unemployed before the outbreak of war, as well as to satisfy the needs of thousands of young people who for the first time have found work. Natural though it be for people to use their purchasing power to the limit, especially after a period of enforced self-denial, it has for some time been clearly apparent that the supply of materials and goods would not be sufficient to meet the demands both of the public and of the Dominion Government in its vast armament programme.

The situation in this respect can be illustrated by a few observations on foreign and domestic trade. Exports rose by 31 per cent. in value and 25 per cent. in volume during the twelve months ending October and at least 50 per cent. of the volume of our exports during the first two years of this war may be regarded as war materials—fully one-half as much again as in the 1917-1918 period. Retail sales in Canada have expanded in volume since the outbreak of war by nearly as much as the increase between 1930 and 1939. It can be readily seen that if this growth in buying power were permitted to continue on the same scale a disastrous inflation would certainly develop. Except for loss of life and maiming of human beings war brings no greater suffering upon all classes of the community than uncontrolled inflation.

The Government, therefore, has recently invoked price and wage control measures. While there may be differences of opinion as to the best method of effectively dealing with the problem, nevertheless it is apparent that, no matter how accomplished, public spending for consumer goods must be reduced if the Dominion Government is to continue a sound programme of war finance. There has been a generous and wide-spread subscription to the Dominion War Loans, notably the Victory Loan in June. Taxes, at treble the rate of the last pre-war year, have been paid in larger aggregate amount than was anticipated but, in the opinion of the Minister of Finance, "taxation will not stand indefinite expansion." On the other side, the Government's expenditures are more likely to rise above than to fall below estimates as high as $2,800,000,000 for the current fiscal year, including possible direct war disbursements of $1,470,000,00 and $900,000,000 for assistance to Britain. Nevertheless it is within the ability of the Canadian people to meet these and all other essential outlays from a greatly increased national income, about $1,000,000,000 higher than that of two years ago, partly through payment of taxation and partly by saving and investing in Canada's safe and profitable Victory Loans and War Savings Certificates. With the full co-operation of the public generally in the measures referred to, the threat of a devastating inflation will be removed, the Government's financial requirements met, the national armament programme speeded up and a victorious peace made doubly certain.

Mr. S. H. Logan, President of the Bank, Says Canada's War Programme Is Well Advanced and On a Scale Scarcely Yet Realized

The present magnitude, extent and ferocity of this war are much greater than we believed possible a year ago. Canada has, therefore, felt called upon to exert a war effort beyond any previous conception and to prepare herself to take an even greater part in the overthrow of the aggressor nations. Independent observers have expressed astonishment at what we have accomplished so far, but we can, and must, do more. In the greater effort ahead many problems will confront us, but I am confident that we shall overcome them and a year hence will have reason for added pride in this country's further contribution to the cause in which it joined a little over two years ago.

CANADA'S WAR PROGRAMME

In travelling throughout Canada I have found no widespread understanding of the national war programme. It is natural that we should be interested primarily in efforts in our local communities and find it difficult to view Canadian developments as a whole and, unfortunately, adequate information on the national war programme has not been systematically disseminated either here or abroad. I should, therefore, like to present to our shareholders —not only to the two-thirds resident in the Dominion but to the one-third who live elsewhere—a composite picture of Canada's war effort, as well as that of other parts of the Empire and of the United States, whose material aid and moral support have been invaluable to the Allied cause.

In common with other democratic countries our energies and resources since 1919 have been devoted almost entirely to peaceful pursuits, with little or no serious preparation for possible war. For some months after the outbreak of hostilities it was not determined how Canada could best serve the Allied cause. When decisions as to this were finally reached much time was necessarily consumed in constructing the plants, obtaining the machine tools, installing the machinery and training the workers required to produce the thousands of types and parts of munitions which modern war demands. Progress at first seemed disappointingly slow but, having once begun, our armament programme was undertaken energetically and, though mistakes were made and unforeseen delays encountered, the planning and administration generally has been excellent.

ARMED FORCES AND EQUIPMENT

I would emphasize the fact that this programme is so well advanced that Canada is now a heavily armed country. She has raised a total armed force of over 500,000 men—27,000 for the navy, 400,000 for the active overseas and home defence armies and over 90,000 for the air arm—itself a notable achievement. This force has been well clothed and fed and is being carefully trained. It is being supplied by our own efforts with most of the modern war equipment, for Canada is now producing five types of machine guns, as well as rifles, side arms and bomb throwers; twenty varieties of chemicals and explosives; thirteen kinds of aircraft (of which nearly 4,000 have been made or assembled since the outbreak of war), over twenty types of shells, as well as rifle ammunition, grenades, light and heavy air bombs, depth charges and anti-tank mines; tanks and motor vehicles for many purposes (about 200,000 of the latter have been made) and a large array of special material, including parachutes, radio equipment and precision instruments. The production at present of this varied armament is high, and it will soon increase considerably, as may be judged by these few monthly objectives:

Over 1,000 field, naval and anti-aircraft guns,
400 trench mortars,
2,000/3,000 machine guns,
600 tanks and universal carriers.

Moreover, seventeen major shipyards and over fifty smaller marine works are engaged in building and equipping hundreds of merchant, patrol and naval vessels, including cargo ships of about 5,000 and 10,000 ton capacity, corvettes and minesweepers. Before the close of 1942 it is expected that nearly one hundred cargo boats—as many as would normally be made during a year in a major ship-building country—will be launched and work undertaken on a large fleet of new naval vessels, including destroyers. Furthermore, Canadian war material of many kinds is being used by hundreds of thousands of fighting men in various sectors of the Allied front ranging from the South Pacific to the Arctic and those bordering on the Mediterranean, the North Sea and the Atlantic.

The war programme, including the construction of over two hundred new plants and extensions—many of a novel type and among the largest of their kind in the world—at a cost eventually of over $500,000,000, has so far necessitated armament contracts approaching in all $2,800,000,000, apportioned mainly as follows:

Canadian Account	$1,500,000,000
United Kingdom—Account of Stores	751,000,000
United Kingdom—Account of Plant Extension, etc.	215,000,000

WAR EXPENDITURES

Actual direct war expenditures since the outbreak of hostilities have amounted to about $1,500,000,000. They are now exceeding a rate of $100,000,000 monthly, so our current annual disbursements will approach the total spent in the first two years of war. In addition, credits to Britain during the Government's current fiscal year may be close to $1,000,000,000 for shipment of the vast quantities of war materials and food that Canada has undertaken to furnish the United Kingdom. All these expenditures and credits must be financed by the Canadian people, through subscriptions to War Loans and War Savings Certificates and by taxation.

BRITAIN AND THE WAR

Britain's resolute courage and indomitable resistance in holding the enemy at bay in the Atlantic area, and thereby giving this Continent an opportunity to create and equip its armies, develop its war industries and erect defences of its own, deserves our unbounded admiration and gratitude. Britain has been made the strongest fortress of civilization by an almost complete mobilization of its economic resources, by devoting over half of its industrial capacity to armament and by expenditures of more than $20,000,000,000. Labour in armament plants has worked sixty hours or more per week, to provide the constantly increasing armed forces with the equipment they need. The British people have unhesitatingly accepted the most onerous restrictions of their personal liberties and the rationing of even the necessities of life. Many of their civilians have submitted willingly to regulations which uprooted them from their established occupations. By the conservation of surplus earnings, there has been general co-operation with the Government to retard a steep rise in commodity prices during the past year, thus checking inflation and helping to provide the huge war expenditures, now at a rate of over $15,000,000,000 per year. In all, the British public has established a standard of conduct that will not only live for all time in history, but serves now as a pattern of fortitude, sacrifice and heroic endurance for all other free people.

AUSTRALIA

The war against Nazism and its associates is being waged as well with great intensity in other parts of the Empire, every member of which is throwing its men, money and materials into the struggle. The Australian Government, for example, had spent from the outbreak of war to June, 1941, the equivalent of over $800,000,000 on war and defence services, while for the current fiscal year ending next June the estimated war expenditure has been placed at over $900,000,000. Over 400,000 men are enrolled in the three armed services and more than 100,000 workers are directly engaged in the manufacture of munitions and other war supplies. This is an expansion of more than twenty-fold since the beginning of the war, which is expected to reach sixty-fold in the near future. The Commonwealth's great industrial system of over 25,000 plants, including one of the world's finest steel works, is producing a wide range of armament, including tanks, field guns, aircraft (of which 1,000 planes are already in service), machine guns and carriers, anti-aircraft and anti-tank guns, armoured cars, rifles and ammunition.

INDIA

A remarkable transformation has been taking place in the economy of India, whose armed forces total about 1,000,000. Not only have there been extensive developments in the textile and chemical industries, but the engineering and munitions trades have made rapid progress. The entire output of a great steel industry is now devoted to ordnance and war supplies, airplane assembly plants are in operation, modern ship-building yards are being constructed, an aluminium smelting plant is being enlarged, and extensions are planned for munitions and explosives factories.

SOUTH AFRICA

South Africa, though no better prepared in 1939 for war than other Empire countries, was able within forty-eight hours of Italy's entry into the conflict to put her air force into action two thousand miles north of the Union's borders and to send the advance guard of an expeditionary army into Kenya. That vanguard, since greatly increased, has played an important part in the Libyan campaigns and in the operations in Abyssinia. The Union, like Canada, was fortunate in having a large number of highly trained engineers and technicians, and an important engineering and industrial plant which was quickly converted to producing armaments. Today, the Union in addition to providing many of its own armament requirements, including motor vehicles, and developing extensive air force, coastal protection and quick ship repair services, is supplying important quantities of armament, motor equipment and food products of many kinds for use abroad.

THE UNITED STATES

It is significant of the great issues at stake that the position of the United States on the Atlantic and Pacific fronts of this conflict has caused it to realize that no leading power is immune from the effects of a major war. Without seeking war, the United States has found that the war has come to it, and that its future is bound up in the outcome. Thus, the American Department of Commerce has summarized the effects upon the United States of a possible German victory in these words:

> "It is quite evident that the German plans for the economic reorganization of the European Continent, if actually carried out, would profoundly affect the economies of the rest of the world. including the United States . . . It is safe to predict that, if consummated, they might force us into a policy of self-sufficiency, involving, temporarily at least, a lowering of our living standard. A German success would undoubtedly necessitate more fundamental changes in our agricultural production on a more or less permanent basis. It would lower the efficiency of some of our manufacturing industries by curtailing the prospects of exports and thereby reducing the rate of plant capacity. And, finally, if we should be compelled to adopt economic self-sufficiency as a national policy, it would involve a degree of economic planning that might seriously affect some of our fundamental political institutions."

THE AMERICAN DEFENCE PROGRAMME

The American defence effort is assuming such vast proportions as to be difficult to grasp in its entirety. The total armament appropriations of the United States, including those under the Lease-Lend Acts, have reached the colossal sum of $66,000,000,000. Of the world's largest and most efficient industrial system over 50 per cent. may yet be made available to aid in vanquishing the Axis powers. The present appropriations are mainly for the following purposes:

Naval Vessels and parts	$8,150,000,000
Merchant Ships	3,300,000,000
Depots and Fortifications	4,180,000,000
Airplanes and Engines	12,500,000,000
Equipment and Supplies	8,000,000,000
Industrial Construction Machinery and Plant }	5,800,000,000
Ordnance	12,000,000,000

Contracts for nearly half of the current appropriations have already been awarded and deliveries made of at least one-third of the orders. It is expected that in 1942 war materials of a value of over $20,000,000,000 will be produced, including merchant cargo vessels more than sufficient to replace the present Axis sinkings (about 2,500,000 tons are to be built in the first half of next year alone), over 30,000 airplanes, many thousands of tanks, motor vehicles, and heavy guns and enough meat, eggs and dairy products for Britain to provide food for about ten million of that country's population.

AID TO THE ALLIES

The record of the United States in material aid to the Allies is most impressive. Appropriations under the Lease-Lend Acts of the past year aggregating about 13,000,000,000 are nearly double the total credits advanced to the Allies in the entire war period of 1914-18. The stream of materials for shipment to the beneficiaries of the Acts is steadily rising, those of last month being valued at over $150,000,000 as compared with a total of $190,000,000 in all the preceding five months. But these shipments are only part of the exports of the United States to its associates.

Deliveries are still being made of goods purchased and paid for by Great Britain to an amount of $3,500,000,000 between September 1939 and the passage of the Lease-Lend Acts.

Exports during the past year from the United States to Great Britain and Egypt, which included delayed deliveries of purchased goods as well as some of those supplied under the Lease-Lend arrangements, amounted to $2,000,000,000. That sum represents about two-thirds of all American exports. Moreover, the United States has recently been shipping quite large quantities of war materials to Russia under its pledge to help in sustaining that country's heroic defence.

The United States has given further aid to the Empire by increasing its imports from the British Commonwealth by more than one-fifth in the past year and thereby providing urgently needed American exchange. Aid has also been extended to Latin America to an extent that counteracts, if it does not indeed defeat, the Italo-German efforts to bring that rich and strategic area into the Axis orbit. The United States is now importing Latin American products at the rate of about $1,000,000,000 annually, twice the amount paid by all Europe for such goods in the pre-war period, and so is doing much more economically for the southern continent than the Nazi-controlled area was ever able to do.

EFFECT ON AMERICAN ECONOMY

The industrial organization of the United States must undergo many changes in establishing an all-out defence programme and business men are therefore faced with many uncertainties. Already those producing consumer goods are feeling the effects of priorities and these must be accentuated as time goes on. Expenditures for armaments on a prodigious scale call for immense quantities of materials and the corresponding complement of labour, and the requirements of non-essential industries must of necessity be curtailed.

Once, however, the United States gets fully into its stride its immense resources in materials, in equipment and in industrial engineering and scientific skill ensure a rate of mass production which no other country in the world can match.

GERMANY'S CONTROL OF EUROPE

A massive combination of military and economic forces is lining up against the enemy, but we should not delude ourselves that the mobilization of these forces alone is sufficient to bring us victory, or that the losses suffered by Germany in her Russian campaign are such that she will abandon her plans for world domination. All her moves in the past year have been designed to increase her offensive power, so that she may enslave the rest of the world in the same way as she has enslaved practically all of Europe. The subjugated countries pay a terrific toll to the Nazi conquerors. France, Belgium, Denmark, the Netherlands and Norway are paying cash tributes all told of over $3,500,000,000 per year. Vast quantities of live stock and other supplies of all kinds have been seized, or bought with worthless paper money and at severely depreciated prices, and millions of non-German people have been harnessed to the German war machine, either for the production of armament or for work in mines and fields, while several hundred thousand have been forced into the German military service. The German leaders have made it perfectly clear that all conquered countries must be organized to meet the requirements of a Nazi economy and forced to produce what their overlords deem essential to the maintenance and comfort of the German people, the conquered having only what is left, at best a bare subsistence.

If Europe is to be liberated from this slavery and the rest of the world preserve its freedom, the Allied forces must be further strengthened and co-ordinated and their armament production accelerated. These are the steps essential to end the Axis tyranny, but to take them will require the utmost effort on the part of all individuals as well as Governments.

CANADA'S RESPONSIBILITY AND DUTY

We in Canada because of our singularly fortunate position have an added responsibility to ensure a successful outcome of this conflict. Our industrial equipment has been brought—largely through a pre-war development—to a high degree of productivity. We have had at our command a body of industrialists, mining executives, engineers, scientists and technicians, as well qualified as any in the world, the services of many of whom have been enlisted to convert a large part of our productive capacity to war purposes. From a well-planned and energetic national war programme there have sprung business activity and employment of record proportions which have provided the highest standard of living that many of our people have ever enjoyed.

Even greater industrial activity and employment are certain, but it is clear that we must convert more of our productive capacity to armament, requiring a stricter diversion of materials for that purpose and in consequence a smaller supply of civilian goods. This process must of necessity inflict hardships on many manufacturers, dealers and employees engaged in the production or distribution of non-essential goods but the change is inevitable.

The time of real war sacrifices is here and we should make these willingly, in the knowledge that they and all the courage and mental and economic powers we possess are necessary to bring Canada's war machine into complete and effective action so that she may worthily bear her part in the greatest struggle for freedom that the world has ever known.

Bank Debits Up 14% in 1941

Substantial Gain Shown For 10 Months — Oct. Total Up 3%

Canadian payments by cheque continue well above last year's levels.

These bank debits in October at $3.6 billions were nearly 3% higher than in the same month last year. The gain was spread over all economic areas except Ontario, which showed a decline of 3.2% due mainly to a drop in Toronto. The gains per cent in the other areas were Maritimes 9, Quebec 10.7, Prairies 6 and British Columbia 7.3.

For the 10 months ending with October, the total amount of debits was $32.1 billion or 14% higher than for the same period a year ago.

The debits charged to savings accounts in October showed a turnover of this class of deposits of .086% against .085% in the month previous. The turnover of demand deposits indicated by the bank debits was 2.36% compared with 2.10% in the preceding month.

Debits to Individual Accounts
(Millions of $)

	Oct., 1941	Sept., 1941	Oct., 1940
Maritimes:			
Halifax	46.2	44.6	42.0
Moncton	15.6	13.2	12.8
Saint John	22.4	20.5	22.4
Total	84.2	78.4	77.3
Quebec:			
Montreal	899.9	853.9	779.6
Quebec	105.5	81.9	128.3
Sherbrooke	10.6	9.3	9.7
Total	1,016.0	945.1	917.7
Ontario:			
Brantford	15.1	13.6	14.3
Chatham	9.8	10.3	10.3
Fort William	9.3	9.4	8.1
Hamilton	102.9	90.4	78.8
Kingston	10.0	8.9	10.3
Kitchener	19.4	17.5	16.5
London	45.3	37.4	50.7
Ottawa	324.9	284.1	303.9
Peterborough	10.7	9.4	8.6
St. Catharines	15.7	15.9	.....
Sarnia	10.2	10.3	8.0
Sudbury	8.5	8.4	8.4
Toronto	1,011.9	964.6	1,141.3
Windsor	66.4	58.7	56.7
Total	1,660.5	1,536.2	1,716.3
Prairies:			
Brandon	5.8	5.2	5.2
Calgary	87.3	74.4	81.5
Edmonton	53.9	51.0	58.3
Lethbridge	6.9	5.8	5.9
Medicine Hat	4.7	3.8	4.3
Moose Jaw	10.3	7.1	9.4
Prince Albert	4.4	4.0	3.7
Regina	55.9	37.5	73.1
Saskatoon	15.4	14.0	16.5
Winnipeg	403.3	337.3	353.9
Total	648.2	540.1	612.1
British Columbia:			
N. Westminster	10.7	9.5	9.6
Vancouver	170.6	156.5	159.4
Victoria	36.8	34.9	34.1
Total	218.1	200.9	203.2
Grand total	3,627.2	3,300.7	3,526.6

Bank Holds More Sterling

Assets of Bank of Canada For War Exchange Rise

Holdings of sterling and United States exchange by the Bank of Canada increased by another $37 millions, the statement for the week ended Dec. 3 shows. In the past month alone this account has increased by $78 millions. It represents sterling accepted by the bank in exchange for Canadian dollars made available to the British Government for purchase of war supplies in Canada.

Note circulation during the week climbed $8 millions, reflecting increased business activity, with total circulation now at $469.5 millions. Total deposits were down $1.5 million, Dominion Government deposits being up $20 millions, chartered bank deposits with the Bank of Canada being down $18 millions and others down $4 millions.

Total investments declined $37 millions on the week as Dominion Government short-term holdings dropped $28.6 millions and other Dominion securities declined $8.2 millions.

Liabilities	Dec. 3 1941 $	Nov. 26 1941 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	469,596,981	461,740,063
Rest fund	3,722,910	3,722,910
Depos.: Dominion	60,712,777	40,240,122
Banks	228,338,446	246,016,731
Other	6,165,408	10,497,867
Total deposits	295,216,631	296,754,720
All other liabs.	10,153,197	9,687,579
Total liabs.	783,689,719	776,905,272
Assets		
In sterling and U. S.	133,852,960	96,036,094
Subsid. coin	375,799	467,373
Investments:		
Dom. govt. short	407,320,294	435,999,877
Other Dom. govt.	220,579,554	228,718,733
Total invest.	627,899,848	664,718,610
Premises	1,822,286	1,826,246
All other assets	19,738,826	13,856,949
Total assets	783,689,719	776,905,272

Staff Changes

The Bank of Montreal announces the following staff changes:

H. P. McCABE, to be manager, St. Catharines, Ont.

JOHN GALT, to be manager, Westmount, Que.

W. K. NEWCOMB, to be manager, West End branch, Montreal.

A. J. N. FOSS, to be assistant superintendent, Montreal district, Montreal.

E. E. RUTHERFORD, to be assistant manager, Montreal branch.

H. BROOKS, to be manager, St. Peter and St. James Sts., Montreal.

W. C. MITCHELL, to be manager, Market Square, London, Ont.

WILBUR JAMES, to be manager, London, Ont.

A. H. CARSON, to be manager, Vancouver.

J. MacRAE, to be assistant superintendent, Ontario district, Toronto.

K. C. WINANS, to be assistant superintendent, Ontario, district, Montreal.

H. L. S. COTTER, to be manager, Bay St., Toronto.

JAMES PRIMROSE, to be manager, Queen's Park, Toronto.

A. S. OLIVER, to be manager, Hanover, Ont.

J. R. SMITH, to be manager, Welland, Ont.

The Bank of Nova Scotia announces the following staff changes:

R. J. MOFFATT to be manager Sherbrooke and Greene, Westmount.

N. B. JOHNSTON to be acting manager Beechy, Sask.

J. A. GONZALEZ to be accountant, Oficios Street, Havana.

H. R. FLEWWELLING to be acting manager Kennetcook, N.S.

D. A. WOOD to be accountant, Halifax.

H. W. SMITH to be accountant Camaguey, Cuba.

The Royal Bank of Canada announces the following staff changes:

J. B. MILLER, assistant manager, Montreal, to be inspector supervisor's department, Halifax, N.S.

C. E. FAIRLES, manager, Brampton, Ont., to be manager, Main and Sherman Streets, Hamilton.

B. STRATH, office of assistant general manager, Toronto, to be manager, Brampton, Ont.

F. E. CASE, head office, Montreal, to be assistant manager, Montreal.

J. J. MARABOTTO, accountant, Cienfuegos, Cuba, to be accountant, Santiago de Cuba, Cuba.

L. S MARTIN, head office, Montreal, to be accountant, St. Johns, Que.

Banking

Public Deposits Again Show Some Expansion

Savings Deposits Now Recovered 50% of Victory Loan Withdrawal — Current Loan Downtrend Checked — Demand Deposits Up

Continued expansion in savings deposits in Canada and an increase in current loans, after three consecutive months of decline, are features of the return of the chartered banks to the Minister of Finance as at Oct. 31.

The trend toward higher savings deposits was further accelerated in October with an increase of $36.5 millions registered. This marks a continued replacement of funds withdrawn last June, much of it for the purchase of Victory Loan bonds. Savings deposits dropped $228 millions in June, but recovered $21.8 millions in July, $33 millions in August, $32.9 millions in September and now $36.5 millions in October. Recovery since the loan, therefore, has been some $124.2 millions, or approximately 50% of the June withdrawal.

Continuance of this trend would indicate that by the time the next war loan comes around, possibly in February or March, total savings deposits of the Canadian public will be back fairly close to the levels that prevailed in June when the Victory Loan was floated.

Current Loans Up

Current loans in July, August and September fell by more than $46 millions, presumably due to repayments on loans assumed to buy war loan bonds in June, in which month current loans expanded by $159 millions. This trend, however, was halted in October as current loans increased $3.6 millions.

Demand deposits continued to push higher during the month to total $1,135 millions, up $25 millions on the month and $194 millions over the figure reported for Oct. 31, 1940. This expansion reflects the more rapid pace of business.

Presumably the result of additional war expenditures, Dominion Government deposits dropped $96 millions during the month to $220 millions. This total is still $43.9 millions over the figure for the same date a year ago.

Call Loans Higher

Call loans in Canada continued their moderate increase, this trend now having been extended to its fifth month. At $37.4 millions call loans were up $1.1 millions on the month, but down $3.5 millions from a year ago.

Investments of the banks showed a drop of $52.8 millions during October, but were still $123.4 millions ahead of Oct. 31, 1940. Cash position of the banks continued strong, being $16.5 millions higher than at the end of September and $14.4 millions higher than a year ago.

With deposits increasing during the month faster than loans, The Financial Post Credit Index declined moderately. This index is the ratio of call and current loans in Canada to demand and savings deposits and during October registered a decline of 0.8%, but remained 1.5% ahead of a year ago.

Use of Bank Credits in Canada
(In Millions of Dollars)

	October 1941	September 1941	Change	October 1940	Change
Loans	1,270.5	1,273.5	—3.0	1,178.5	+92.0
Investments	1,642.9	1,695.7	—52.8	1,519.5	+123.4
Total	2,913.4	2,969.2	—55.8	2,698.0	+215.4
Deposits	2,727.2	2,665.5	+61.7	2,540.7	+186.5
Credit index*	43.4%	44.2%	—0.8%	41.9%	+1.5%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Canadian coin	6,441,246	6,568,160	—126,914	6,033,837	+407,409
Bk. of Can. notes	86,421,782	94,056,632	—7,634,850	82,477,135	+3,944,647
Bk. of Can. depos.	231,791,351	207,461,132	+24,330,219	221,680,864	+10,110,487
Bank's cash	324,654,379	308,085,924	+16,568,455	310,191,836	+14,462,543
Other bank's notes	2,238,302	3,256,567	—1,018,265	3,289,274	—1,050,972
Gold & sub coin abd.	2,996,265	3,089,578	—93,313	4,107,118	—1,110,853
Foreign banks	202,255,046	200,123,650	+2,131,396	189,954,836	+12,300,210
Foreign curr.	33,721,038	33,905,180	—184,142	28,835,634	+4,885,404
Gov. sec. short term	724,178,018	831,754,268	—107,576,250	715,507,782	+8,670,236
Do., long term	682,842,925	623,144,319	+59,698,606	567,473,036	+115,369,889
Call loans abroad	45,653,550	47,376,058	—1,722,508	42,539,880	+3,113,670
	2,018,539,523	2,050,735,544	—32,196,021	1,861,899,396	+156,640,127

Loans and Securities Other Than Those of Canadian Government

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Municipal secs.	81,113,066	84,599,584	—3,486,518	86,457,118	—5,344,052
Public secs.‡	63,887,821	65,696,328	—1,808,507	49,070,289	+14,817,532
Other secs.	90,847,543	90,539,854	+307,689	101,031,125	—10,183,582
Can. call loans	37,432,281	36,313,422	+1,118,859	40,933,817	—3,501,536
Current loans	1,146,857,168	1,143,203,420	+3,653,748	1,024,278,286	+122,578,882
Loans abroad	131,919,945	132,153,688	—233,743	126,245,970	+5,673,975
Prov. loans	8,392,059	10,691,446	—2,299,387	13,967,670	—5,575,611
Mun. loans	77,826,714	83,325,030	—5,498,316	99,366,176	—21,539,462
	1,638,276,597	1,646,522,772	—8,246,175	1,541,350,451	+96,926,146

Other Assets

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Non-current loans	5,165,942	5,285,361	—119,419	7,063,418	—1,897,476
Real estate	6,799,388	6,690,739	+108,649	7,277,262	—477,874
Mortgages	3,415,058	3,550,775	—135,717	3,658,545	—243,487
Premises	69,900,628	70,337,167	—436,539	71,093,520	—1,192,892
Letters of credit	112,278,929	104,096,726	+8,182,203	68,047,529	+44,231,400
Loans to comp.	10,658,644	10,906,253	—247,609	11,220,195	—561,551
Other assets	1,889,559	2,138,864	—249,305	1,946,126	—56,567
	210,108,148	203,005,885	+7,102,263	170,306,595	+39,801,553
Total	3,866,924,268	3,900,264,201	—33,339,933	3,573,556,442	+293,367,826
Note circ. dep.	4,485,721	4,482,528	+3,193	4,826,410	—340,689
Int. bank bal.	159,982,421	148,684,147	+11,298,274	132,693,287	+27,289,134
Gross	4,031,392,410	4,053,430,876	—22,038,466	3,711,076,139	+320,316,271

LIABILITIES

To the Public

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Circulation	82,243,767	82,024,348	+219,419	91,624,793	—9,381,026
Dom. Govt.	220,296,198	316,501,831	—96,205,633	176,379,820	+43,916,378
Prov. Govt.	64,455,854	54,895,963	+9,559,891	60,491,202	+3,964,652

Deposits by Public

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Demand dep.	1,135,522,582	1,110,338,832	+25,183,750	941,278,748	+194,243,834
Savings dep.	1,591,700,076	1,555,152,222	+36,547,854	1,599,463,510	—7,763,434
Total	2,727,222,658	2,665,491,054	+61,731,604	2,540,742,258	+186,480,400
Foreign dep.	460,130,348	457,742,625	+2,387,723	405,307,597	+54,822,751

Due to Banks Abroad, Etc.

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
United Kingdom	19,635,511	20,250,665	—615,154	29,073,025	—9,437,514
Foreign	28,948,220	30,027,540	—1,079,320	26,900,012	+2,048,208
Bills payable	....	....	....	52,788	—52,788
Letters of credit	112,278,929	104,096,726	+8,182,203	68,047,529	+44,231,400
Other liabs.	6,150,008	5,765,819	+384,189	4,601,790	+1,548,218
Total pub. libs.	3,721,361,493	3,736,796,571	—15,435,078	3,403,220,814	+318,140,679
Due bet. banks	13,876,810	12,661,360	+1,215,450	12,714,407	+1,162,403

Liability to Shareholders

	October 1941 $	September 1941 $	Change $	October 1940 $	Change $
Dividends	2,799,717	1,493,071	+1,306,646	2,782,540	+17,177
Reserve	133,750,000	133,750,000	....	133,750,000	....
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	4,017,288,020	4,030,201,002	+12,912,982	3,697,967,761	+319,320,259

‡Other than Canadian.

Bank Chat

A noticeable feature in the annual reports of the four Canadian chartered banks which closed their fiscal year Oct. 31 is the increase in taxation.

All four institutions this year showed the amount paid the Dominion Government alone, whereas in other years they had shown the amount for Dominion and provincial taxes together. In every case, however, the Dominion taxes alone showed a substantial increase over the taxes paid to Dominion and provinces in other years. The taxes paid in 1940 were higher than those in 1939.

A fundamental axiom of banking policy was emphasized by Jackson Dodds, general manager of the Bank of Montreal, at the annual meeting in Montreal this week when he declared the business of the management first of all was "to make sure that we keep faith with our note holders and depositors. The plain fact is that our very ability to provide credit rests directly upon the knowledge of every one of our depositors that a deposit in this bank is as good as cash in his pocket. This confidence has nothing to do with the subtle details of monetary policy. It cannot be procured by government action. It is a matter between our customers and ourselves."

This principle he indicated was lost sight of by people who advocated various theories of monetary reform and formulated new theories of the use of bank credit.

* * *

Declaring the greatest danger facing the Canadian economy to be the danger of inflation, H. T. Jaffray, general manager of the Imperial Bank, at the annual meeting in Toronto last week expressed accord with the steps taken by the Government to fix prices and control wages. He stated, however, that great care must be taken to see it does not fall with undue harshness on any particular group between the producer and the ultimate consumer or upon any individual members of those groups.

Weekly Bank Clearings

	Dec. 4 1941 $	Change Year Ago %	Nov. 27 1941 $
Halifax	5,028,155	+27.3	4,023,633
Saint John	2,532,090	+13.1	2,188,160
Moncton	1,386,165	+29.1	1,400,404
Sherbrooke	1,042,586	+22.4	811,582
Quebec	6,887,128	+8.4	5,383,295
Montreal	171,300,645	+18.7	121,838,340
Ottawa	67,022,649	+26.6	54,550,231
Kingston	[illegible]	+24.0	770,139
Peterborough	[illegible]	+21.5	735,098
Toronto	171,796,922	—0.8	126,300,210
Hamilton	8,523,187	+20.4	6,964,418
Kitchener	1,539,673	+15.0	1,193,746
Brantford	1,290,444	+20.1	1,030,065
London	3,338,623	—3.1	2,561,339
Chatham	897,806	+20.7	926,400
Windsor	4,442,654	+26.8	3,992,378
Sarnia	599,631	+2.9	577,535
Sudbury	1,265,543	+20.7	1,328,845
St. Catharines	1,560,303	...	1,961,[illegible]
Fort William	1,267,709	+27.9	1,007,116
Winnipeg	69,840,213	+11.6	61,382,383
Brandon	532,271	+16.7	[illegible]
Regina	6,355,266	+7.2	[illegible]
Moose Jaw	910,634	+0.9	[illegible]
Prince Albert	643,278	+32.1	[illegible]
Edmonton	6,416,401	+29.7	[illegible]
Calgary	8,533,383	+22.8	[illegible]
Lethbridge	696,515	+14.4	[illegible]
Medicine Hat	464,500	+18.3	[illegible]
N. W'minster	1,000,695	+32.0	[illegible]
Vancouver	25,187,629	+21.8	22,157,729
Victoria	2,167,837	+9.7	[illegible]

How Britain's Paper Control Works

Use of Paper for Many Items Is Now Prohibited

One year before Britain went to war, a shadow scheme for the control of paper in time of war was set up.

September, 1938, personnel was appointed and the broad lines of a policy formulated. Six months later schedules were drawn up of the prevailing prices of all types of paper and board. Committees in the different sections of the paper and board trades were responsible for the production of these.

The way the British Paper Control works is of special interest now in view of the extension of controls in this country.

Freeze Prices at Outset

Immediately on the outbreak of war, says the Pulp and Paper Magazine of Canada, a price order was issued whereby on one could sell paper or board at any higher price than that laid down in the various schedules which had been prepared prewar and which were now given statutory standing.

Waste paper prices were controlled at the outbreak of war and mills were prohibited from acquiring any quantity of waste paper or rags from any source of supply in excess of the average quantity taken from that source during the preceding six months. The use of waste paper is now controlled by the issue of licenses to acquire quantities, decided by the Control.

Centralize Buying

In the early stages of the war, the control of woodpulp was confined to prohibiting mill selling to one another at any price in excess of prewar. From Oct. 28, 1939, the Paper Control became the sole buyer of woodpulp and on that date, in order that no profit might be made by holders of stocks, the Paper Control acquired all stocks of woodpulp in the country. The Control sold these stocks back to the mills at an increased price and used the profit so obtained to reduce the price at which the Control sold pulp from fresh arrivals. In other words, the profit arising from the increase in pulp prices following the outbreak of the war was used to hold down the price of incoming shipments.

In January, 1940, the Control ceased to sell pulp to mills but directed the mills to take delivery, on behalf of the government, of incoming shipments and hold them for the government. The government then released sufficient quantities to the mills to enable them to keep up their production. By March, 1940, the cost of imported pulp again increased.

There were still stocks of privately owned pulp in the country and the government put a levy on these stocks and used the proceeds of such levy to hold the price of pulp down for the succeeding six months. In October, 1940, the government acquired the remaining stocks of woodpulp privately held and from that date was the sole importer and sole stockholder of woodpulp.

Mills are not permitted to use woodpulp without a license from the Paper Control. These licenses permit them to use, in a certain period, certain quantities of woodpulp. The majority of the licenses are restricted—i.e., the pulp can only be used for the manufacture of certain types of paper or board. This is to ensure that the country's essential needs are supplied.

Confined to Essential Purposes

The use of woodpulp is confined to essential purposes. Every means is adopted to see that the maximum quantity of home produced material is used. That is achieved by restricting the amount of woodpulp licensed to mills which are in a position to use other materials. There are a number of mills in Britain equipped with digester capacity, which in prewar days utilized esparto grass. These mills are now using straw. Toward economy of imported materials, the collection of waste paper is practised in every community of a certain population. In addition, there are numerous grades of paper or board in which it is compulsory to use nothing but waste paper. The consumption of waste paper is double that of prewar, while the consumption of imported material is 21% of prewar. The total consumption of paper and board in the country is much less than 50% of prewar, even though the total production of paper and board is 50% of prewar. This is because imports have been very sharply restricted.

Work Out Rationing

From September, 1939, until March, 1940, paper was controlled in price but not in quantity or distribution. By March, 1940, proposals for rationing had been worked out—the effect of which was to reduce the amount of paper which mills could deliver for specified purposes. After the collapse of Scandinavia, the rationing was much more severe and prohibition orders were brought in. These prohibitions have been added to and paper now cannot be used for the following purposes.

Paper serviettes
Paper handkerchiefs
Paper table cloths
Face tissue
Paper cups, saucers and plates
Paper decoration
Picture postcards
Certain types of advertising circulars.

In addition, no new newspapers or magazines may be published without the consent of the Ministry of Supply, such consent being rarely given. In addition, there are drastic restrictions on the use of posters and paper used for packing and wrapping.

Method of Rationing

Paper rationing is worked to large extent by making allocations of paper or board to specified industries. For example, the soap and fat trades receive a certain allocation, which is granted to them by the Central Priority Committee of the Ministry of Supply, and the quota is granted after hearing evidence from trade associations concerned, from the Paper Control in regard to its availability and from other government departments.

Quotas are kept to the lowest possible quantity consistent with the maintenance of the war effort or the national life. Upon the needs of the country as a whole is based the amount of paper and board which is released for a licensing period of 13 weeks. From this quantity there was originally worked out a quota for each grade of paper or board. The total quota for any particular grade was then divided among the mills in the proportion to which their individual prewar production bore to the total quantity produced prewar. Quotas ranged from 20% of prewar for newsprint and 22½% for magazines to 100% and upward for vital paper and board such as cordite, explosive papers, electrical papers, shell cases, condenser tissue, building boards, etc. Quotas of paper production are not now allocated to mills, control being effected through the issue of raw material. Such raw material is allocated in quantities sufficient for each mill to manufacture the quota of paper which it had under the quota system.

Must Have License

Before any mill can deliver paper or board, it must receive a license from the Paper Control. The application for license must state the proposed furnish of paper or board, the consumer to whom it could be delivered and the purpose for which it would be used. A license may be refused if too much imported material is shown in the furnish, if the use is not considered immediately essential or if the consumer in question is considered to be asking for too much paper in relation to his consumption.

The prices of paper and board are controlled throughout. The price which the mills may charge is worked out on a scientific costing. The Control employs a cost accountant who receives returns of the cost of production of representative mills in each section of the trade. From these is computed the cost of production which should be sufficient for an efficient unit. On this cost, plus the cost of raw material at controlled prices is based the price at which the mills may sell.

Economize on Paper

An Economy Officer is attached to the Control.

He is an expert on the usages of paper and his job is to develop schemes which will reduce consumption, and in addition, to investigate any industries or trades whose quota of paper would appear to be capable of reduction.

In many sections of the trade mills are running far below capacity and the government has decided that there must be concentration of production in such sections of the trade into the most efficient units in that section. The other mills will be required to close down for the duration of the war. The objects are:

(a) to release labor for munitions work, and
(b) to keep the cost of production and sale prices of the finished article as low as possible.

Mills which are able to run on the large proportion of home produced material will not close down. Mills which will suffer will be mills which in prewar days manufactured paper, which is now regarded less essential, from imported material.

Some of the ways Britain is economizing on paper are:

1. Re-use of envelopes by sticking a piece of adhesive paper over the envelope, after it has been opened, and writing the new address on that.

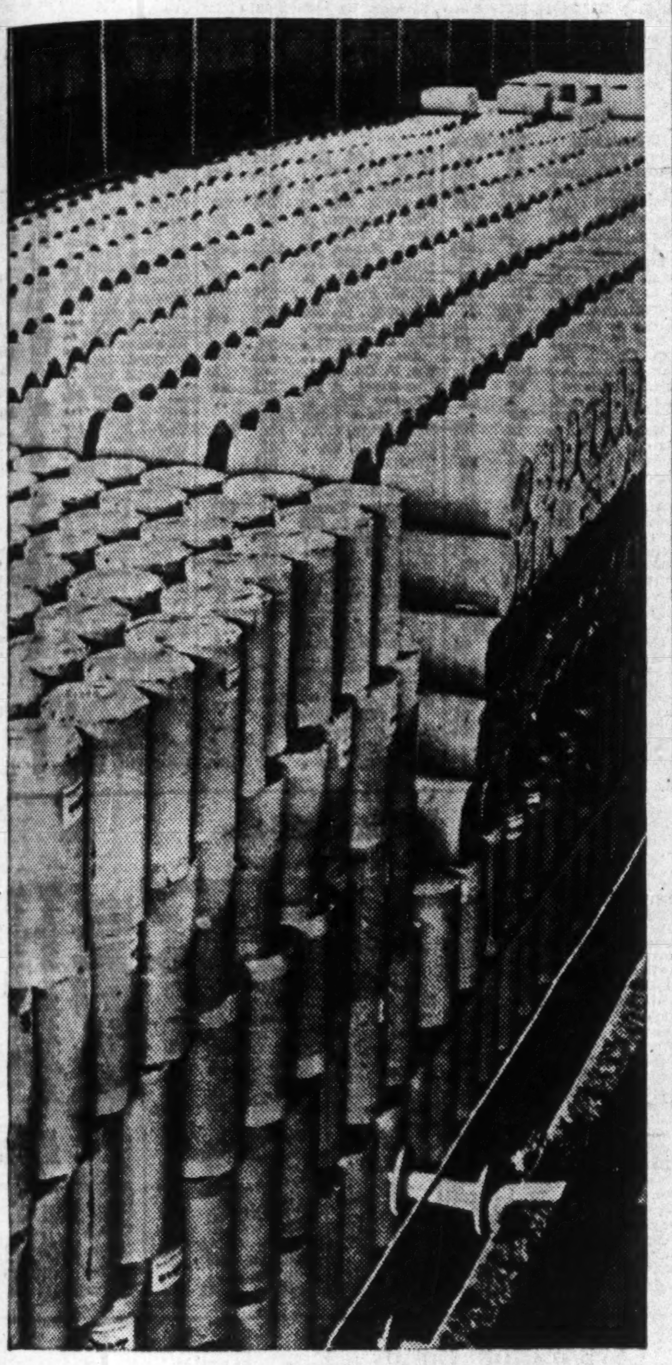
2. Single-spaced typing is the rule in most letters.

3. The carbon copy of the reply to a letter is typed on the back of the incoming letters instead of a sheet of duplicating paper.

4. Cigarettes may only be enclosed in plain cartons, made from waste paper. They can have no wrapper between the carton and the cigarette and no Cellophane or other outside wrapping on the carton.

5. Wallpaper for private houses cannot be purchased oftener than once every three years for any room. No imported pulp may be used for this purpose.

No Rationing Here



—Ontario Paper Co. photo.

Canada today stands as the principal source of paper for most of the democratic countries of the world. In the field of fine paper, Canada's fine paper producers have greatly extended their markets within the Empire. The same applies to newsprint paper in all countries outside of the control of the Axis powers. Some restrictions have been imposed on production, but the Canadian industry is still able to meet in full the demands made upon it for paper.

Newsprint Use Up In October

Apparent Consumption to End of October 2.5% Ahead of 1940

From Our Own Correspondent

MONTREAL. — Total apparent consumption of newsprint paper by all the United States publishers in October amounted to 342,942 tons, or practically the same as a year ago, according to returns compiled by the Newsprint Association of Canada based upon reports of the American Newspaper Publishers Association.

Consumption of newsprint in the United States for the first 10 months of this year amounted to 3,146,459 tons. This contrasts with 3,068,277 tons for the like period of 1940, an increase of 2.5%.

Larger Stocks on Hand

Total apparent North American stocks of newsprint paper at the end of last month amounted to 820,614 tons. This is the largest figure reported since April, 1938, and compares with 759,140 tons at the end of October last year.

Manufacturers are credited with 257,029 tons at the end of last month, as against 273,566 tons at the same date last year and compared with the all-time high of 313,795 tons in Sept., 1937.

The apparent total of stocks on hand with all American publishers was 563,585 tons at the end of October. This represented a gain of nearly 13,000 tons during the month and compared with aggregate stocks of 485,574 tons at the end of Oct, 1940.

Trend of Consumption

The following table shows the apparent monthly consumption of all U. S. publishers since the beginning of 1939:

	Tons		
	1941	1940	1939
January	300,234	285,456	272,041
February	286,598	282,330	256,331
March	337,755	328,285	296,584
April	335,029	319,024	307,120
May	340,772	336,510	298,945
June	316,702	315,703	289,326
July	280,915	270,333	255,797
August	293,129	278,423	265,687
September	312,383	311,178	307,950
October	342,942	341,035	332,094
November	......	328,530	310,152
December	......	334,524	328,345
Total	......	3,731,331	3,520,372
10 months	3,146,459	3,068,277	......

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Helping Build for Tomorrow

Among the services continually necessary to the people of Canada and to all their activities is *Banking*. Its efficiency is a vital adjunct to the War effort and will be an important factor in after-the-war progress and development.

Such Service Includes:

SAVINGS ACCOUNTS—For Investment or Special-purpose Funds.
CURRENT ACCOUNTS—For Usual Business Transactions and for Personal or Household Disbursements.
LOANS—Business and Personal (including Instalment Loans).
SAFETY DEPOSIT BOXES—For Securities and Valued Papers.
INVESTMENTS — Safe-keeping — Purchases, Sales and Exchanges.
REMITTANCES and TRAVEL FUNDS—Money Orders and Drafts, Letters of Credit, Travellers' Cheques.
EXPORT AND IMPORT SERVICES—Commercial Letters of Credit, Foreign Exchange.
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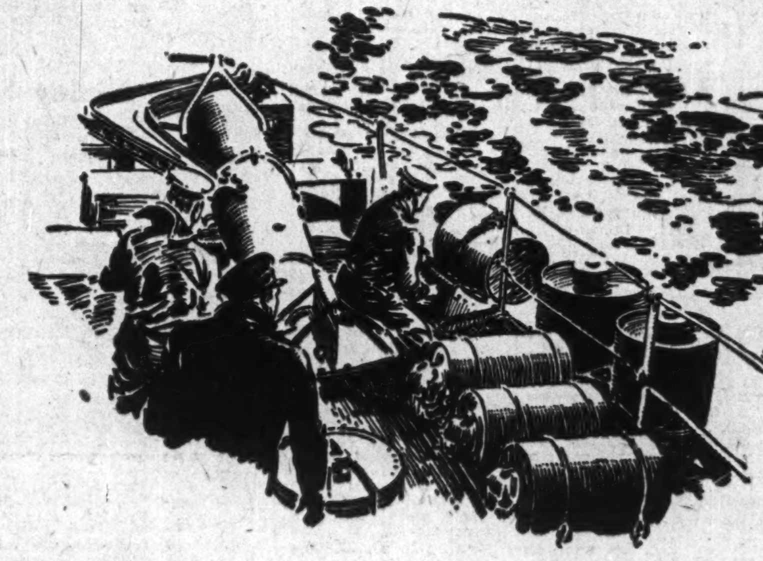
SAVE LEND TO CANADA

The BANK of NOVA SCOTIA
EST'D. 1832—OVER A CENTURY OF BANKING EXPERIENCE



PAPER . . . ON THE ATLANTIC

On every fighting front — on sea, on land and in the air — the products of the pulp and paper industry are indispensable. To meet the demand, non-essential uses in Canada must be trimmed: consumers will be asked to accept substitutes.

Some of the wartime uses of paper are well known: without maps, forms and other documents, a modern fighting force would be severely handicapped. But the products of the industry go into many things besides — into every shell that leaves a gun . . . into explosives . . . depth charges . . . naval mines for the North Sea and land mines for Libya . . . gaskets for Spitfires and tanks . . . radio equipment for the services and for London's "spotters" . . . containers for munitions and food . . . wallboard for housing the armed forces and building war plants.

To meet these needs and to supply the democratic world with newsprint to sustain a free press, the pulp and paper industry in Canada is daily setting new production records. But this is not enough.

YOU CAN HELP

— by limiting non-essential uses of paper and paper products — using other grades than in peacetime — keeping to standard grades and colours — aiding to the utmost the National Salvage Campaign.

THE PULP AND PAPER
INDUSTRY OF CANADA
572 SUN LIFE BUILDING MONTREAL

THE FINANCIAL POST

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING DECEMBER 8

A

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
1.15	.50	•	...	Abitibi	4915	.80	.90	.50	.65
9¼	4	•	...	Do. pref. 6%	8682	8¼	8¼	6¼	6¼
15	8	•	...	Do. pref. 7%	35	13	14	12½	12½
3	1	•	...	Acme Glove	....	(2¼ bid — asked)			
60	50	6.50	11.2	Do. pref.	....	(56½ bid — asked)			
14	11¼	80+20c	7½	Agnew Surp.	30	13¼	13¼	13¼	13¼
108	105	7	6.6	Do. pref.	....	(110 bid — asked)			
1.50	.75	•	...	Alta. Pac. Gr.	....	1.00 bid 1.30 asked			
33	24½	•	...	Do. pref.	....	(26¾ bid 29 asked)			
10¼	7	•	...	Algoma Steel	60	8¾	9	8½	8½
97½	83	5	5.9	Do. pref.	....	(83½ bid 86½ asked)			
115	95	8+2	9.7	Aluminium	283	99½	103	100	100
120	115	6	5.2	Do. pref.	....	(115 bid — asked)			
8¼	5½	25c	...	Amal. Electric	....	(8¼ bid 9¼ asked)			
37	37	60cb	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
46½	44	2.75	5.9	Ang. Can. T. p	....	(— bid 45 asked)			
19½	14½	60+60c	6.9	Asbestos	1430	17½	17½	17	17
18½	14½	1.75	9.3	Assoc. Brew.	265	18	18½	17½	17½
111	108½	7	6.3	Do. pref.	....	(111 bid — asked)			
1	1	•	...	Assoc. T & T.A.	....	(— bid — asked)			
‡24	24	96c	..	Do. pref.	....	(— bid 23 asked)			
§103	101	5.50	5.3	Ault & Wiborg	....	(102 bid — asked)			

B

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
147	140	8	5.6	Bk. Can. Nat.	....	(143 bid 145 asked)			
195	171	8	4.2	Bk. Montreal	106	185	186½	185	186½
285	267	12	4.2	Bk. N. Scotia	63	281	281½	280	280
255	240	10	3.9	Bk. Toronto	9	252	255	255	255
8½	8½	•	...	Barber Ellis	....	(7 bid — asked)			
•5	4½	•	...	Barcelona	....	(— bid — asked)			
1.25	.25	•	...	Barker's Bread	....	(.35 bid — asked)			
22	16	•	...	Do. pref.	....	(14 bid 16 asked)			
14½	10	1+25c	8.8	Bathurst Pr.	1905	13½	14½	13½	14½
3	1	•	...	Do. (B)	7	2¼	2¼	1¾	2¼
4	2	•	...	Beath & Sons	....	(4 bid 4¾ asked)			
9	4½	•	...	Beatty Bros.	175	9	9	9	9
102¾	92	6	5.9	Do. pref.	65	102	102	100½	101
90	88	7	7.8	Do. 2nd pref.	....	(83 bid — asked)			
11	6½	•	...	Beauharnois	191	9¾	9¾	9¾	9¾
80	80	4	5	Belding Cort.	....	(80 bid — asked)			
128	124	7	5.6	Do. pref.	....	(125 bid — asked)			
160½	137	8	5.3	Bell Telephone	556	149	151½	148½	150
6½	5	30c	4.6	Bertram & Sons	20	6	6½	6½	6½
8¼	7	60c	8	Biltmore Hats	....	(7½ bid 7¾ asked)			
6	3	•	...	Blue Ribbon	500	3	3	3	3
37½	30	2.50	7.8	Do. pref.	15	30	32	32	32
10	9½	60c	6.3	Blue Top Br. A	....	(10 bid 11 asked)			
8½	7	•	...	Do. (B)	5	7	8½	8½	8½
22	19	1.30	6.2	Brant. Cord. pf.	....	(21 bid 23½ asked)			
8¼	5	40c	...	Brazilian Tr.	1299	7½	7¾	6¾	6¾
7	2¾	50+10c	..	Brew. & Distil.	....	(— bid 6 asked)			
6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
90	90	6	6.7	Do. pref.	....	(89½ bid — asked)			
18¾	15	1	5.7	Brit. Amer. Oil	2171	17¾	18	17	17
16	9¾	•	...	B. C. Packers	206	16	16	13¾	13¾
26½	22	2	8.4	B. C. Power A.	250	23½	23¾	23	23¾
2	1	•	...	Do. (B)	55	2	2	2	2
6½	4½	•	...	Bruck S. Mills	100	5	5	5	5
15¾	11½	70+10c	6	Building Prod.	707	13½	13¾	13	13
10¾	7¾	60c	7.5	Burlington St'l	25	8	8	8	8

C

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
§70	70	•	...	Calgary Power	....	(— bid — asked)			
103	98½	6	5.9	Do. pref.	....	(101 bid 103 asked)			
3¼	1¼	•	...	Canada Bread	....	(— bid 2¼ asked)			
104	95	6	5.8	Do. pref.	....	(103 bid — asked)			
46	35	2.50	5.6	Do. pref. B.	15	45	45	45	45
5	3¾	40c	8	Canada Bud	....	(4¾ bid 5¼ asked)			
7	4	•	...	Canada Cement	403	4¾	5	4	4¾
102	89½	6.50	6.5	Do. pref.	80	98	100½	97	100½
5¾	5½	40c	...	Can. Cr. Stone	....	(4¾ bid — asked)			
106	102¾	5	4.7	Canada Cycle p	5	106	106	106	106
27	20½	1.50	7.2	C. & D. Sugar	889	21	21½	20½	20½
19½	15	1.50	7.9	Can. Forg. (A)	25	19¼	19	19	19
19	15½	1.50	...	Do. (B)	150	18	19	19	19
50	35	7.50	...	Can. Iron	....	(39 bid — asked)			
80	70	6	8	Do. pref.	....	(74 bid — asked)			
‡390	390	20	...	Canada Life	....	(— bid — asked)			
39	32	2+50c	6.6	Can. Malting	84	37¾	38	37½	37½
11	5	90c	..	Can. Nor. Pr.	130	5¼	5½	5½	5½
99	82½	7	8.4	Do. pref.	60	84	83	82½	83
92	74	4	4.3	Can. Packers	35	90	92	87	87
136	120	8	6.3	Can. Perman.	....	(126½ bid 150 asked)			
9	8	50c	...	Can. Starch	....	(8 bid — asked)			
108	108	7	6.4	Do. pref.	....	(108 bid — asked)			
7½	2¼	•	...	Can. Steamsh's.	5511	6¾	7¼	6¾	6¾
30	16	2.50	8.4	Do. pref.	2492	28½	30	28½	29
8¼	6½	40+10c	6¼	Can. Vinegars	25	8¼	7¾	7¾	7¾
61	40	4	6.9	Can. W. Cable	90	58	58	57	58
24	17½	2	8.3	Do. (B)	....	(20½ bid — asked)			
108	106	6.50	6	Do. pref.	....	(107 bid — asked)			
1.50	.50	•	...	Can. Bakeries	210	1.00	1.50	1.50	1.50
53	20	‡4.50	..	Do. pref.	75	49	53	50	52½
163	143	8	5.2	Can. Bk. Com.	139	152	153	151	152
1.60	.60	•	...	Can. Breweries	155	1.00	1.10	.90	.90
29	20	3	10.5	Do. pref.	771	27	29	29	28½
36	31	1.50+50	6	Can. Bronze	20	32	31	31	31
106	103	5	4.8	Do. pref.	....	(105 bid — asked)			
7¾	5	50c	7.2	Can. Canners	550	7	7	7	7
23	18	1+20c▪	5¼	Do. 1st pfd.	105	22½	22½	22½	22½
10¾	8	60+20c▪	8	Do. 2nd pfd.	320	10¼	10¼	10	10
10¼	4¾	•	...	Can. Car & F'y	725	5¾	6	5½	5¾
27½	19	‡1.32	..	Do. pref.	545	22	22¾	21¾	22
29	18¾	1+1	7.2	Can. Celanese	710	28	28	27½	27½
126	110	7+60c▪	6	Do. pref.	166	124	126	125	125
23¾	21	1	4.3	Do. Rights	10	23	23	23	23
19	15	2	11.8	Can. Convert.	5	17½	17	17	17
106¾	90	4+2	5.9	Can. Cottons	35	100	102	102	102
118½	105	6	5.2	Do. pref.	5	115	115	115	115
22	14	•	...	Can. Dredge	15	15	14	14	14
100	99½	6	6	Can. Fairb. pf.	....	(95 bid — asked)			
15	9	1.90	12.6	Can. For. Inv.	55	15	15	14½	15
106	104	8	7.6	Do. pref.	7	106	105	105	105
220	210	8	3.8	Can. Gen. Elec.	....	(212 bid 213 asked)			
8¼	7	50c	6.4	Can. G. Inv.	....	(7¾ bid 8¼ asked)			
4	1¼	25c	...	Can. Ind. Alc.	586	3	3¼	2¾	3
3¾	1¾	25c	...	Do. (B)	217	3¼	3¼	2¾	3¼
208	150	‡4.75	...	Can. Indust. B.	57	170	172	170	170
176	158	7	4	Do. pref.	....	(171 bid 177 asked)			
.30	.20	•	...	Can. Int. I. Tr.	....	(— bid — asked)			
50	41	2	4.4	Do. pref.	....	(40 bid 50 asked)			
15	12	1	7.2	Can. Lt. & Pr.	....	(13 bid 16 asked)			
9	5	•	...	Can. Locomo.	50	6½	7	7	7
.95	.50	4c	..	Can. Marconi	100	.65	.65	.65	.65
19	12	50+70c	6¼	Can. Oil	25	18½	19	19	19
123	118	8	6.5	Do. pref.	....	(122½ bid 124½ asked)			
7½	4½	•	...	Can. Pacific	12040	6	6¼	5¾	6
.60	.10	•	...	C. Pr. & Pa. In.	166	.10	.25	.10	.25
3	1¾	•	...	Do. pref.	140	2	2	1¾	1¾
5	2	•	...	Can. Vickers	26	3¼	3¾	2¼	3¾
26	9½	•	...	Do. pref.	....	(24 bid 25¾ asked)			
9	8½	1	...	C. Wallpaper A.	....	(9 bid — asked)			
10	8	1	...	Do. (B)	10	9½	9	9	9
45	26	2	4.9	Can. West'ho'se	....	(42 bid — asked)			
21	18	1.50+25c▲		Can. Wire Box	....	(21 bid 22½ asked)			
1.30	.75	•	...	Capital Estates	....	(1.10 bid — asked)			
120½	117½	5	4.2	Carnation, pfd.	....	(119½ bid — asked)			
9¼	4	50c	...	Catelli Food	1	5	4	4	4
12	8	75c	6.2	Do. pref.	25	11	12	11½	12
2.00	1.70	•	...	Celtic Knit	....	(— bid — asked)			
155	145	8	5.5	Cent. Can. L'n.	....	(— bid 145 asked)			
92	82	4	4.9	Chart. Trust	....	(78 bid 83 asked)			
4	3¼	•	...	Ch. Gai Wines	25	3¼	4	4	4
.32	.10	•	...	Chem. Research	2700	.12	.13	.11	.11
.40	.25	•	...	City Gas & El.	....	(.25 bid — asked)			
.10	.03	•	...	Claude Neon	100	.03	.05	.05	.05
1.50	1.20	12c	..	Coast Brew.	1050	1.36	1.40	1.38	1.40
6½	3¾	†50c	...	Cockshutt Plow	420	5¾	5¾	5½	5½
2¼	1¼	15c	...	Comm. Alcohol	125	2¼	2¾	2¼	2¼
6	5	40c	6.9	Do. pref.	20	5¾	5¾	5¾	5¾
4½	3	‡40c	..	Conduits Nat.	....	(3¼ bid 4¼ asked)			
14	8	60c	5.4	Cons. Bakeries	325	11	11	11	11
.03	.01	•	...	Cons. Div. Sec.	6	.01	.01	.01	.01
8	7	75c	10	Do. pref.	2	7½	7½	7½	7½
4½	2¼	•	...	Cons. Paper	3071	3¼	3¼	3¼	3¼
4	2¾	•	...	Cons. Press	5	2¾	3	3	3
81½	78½	‡3.50	..	Cons. Sand. pf.	50	81	81½	81½	81½
41¾	31½	1+1.50	6.6	Cons. Smelt.	1428	39¼	38¾	37¾	38
145	111	8	6.3	Consumers' Gas	49	125	127	125½	127
70	30	5.25+3.50▲		Corr. P. B. p.	....	(61½ bid 69 asked)			
25	20	1.20+15c	6	Cosmos Imp.	....	(22 bid 24 asked)			
31	24½	2	7.4	Crown Cork	....	(27 bid 27¾ asked)			
1½	1½	•	...	Crown Dom. Oil	....	(1¼ bid 1½ asked)			
35	28	3	9.1	Crow's N. Coal	....	(30 bid 33 asked)			
1.05	.50	•	...	Cub Aircraft	....	(.50 bid .65 asked)			

D, E

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
11¼	9½	1	...	David & Fre. A	....	(10 bid — asked)			
1.60	1.00	•	...	Do. (B)	....	1.25 bid 2.00 asked			
8¼	7	•	...	de Havilland	4	8	8	8	8
75	75	‡7	...	Do. pref.	....	(70 bid 80 asked)			
1.50	.80	•	...	Disher Steel	200	.95	.95	.95	.95
10¼	8	‡1.50	..	Do. pref.	....	(10 bid 12¼ asked)			
28½	18½	2.22	8.9	Distill-Seagram	2920	24¼	25¼	23	24
98	84	5	5.4	Do. pref.	125	92	92	92	92
30	30	2.50	8.3	Dom. Ang. Inv.	....	(30 bid — asked)			
75	70	5	6.7	Do. pref.	....	(73¾ bid 84 asked)			
200	184	10	5.2	Dom. Bank	19	195	195	190	190
27½	20½	1.20	5.1	Dom. Bridge	206	23¼	23¼	23	23
21	15½	•	...	Dom. Coal, pf.	310	16¾	17	16¼	16¼
28	15	•	...	Dom. Engineer.	....	(22½ bid — asked)			
24	17	1+25c	6.2	Dom. Foundries	220	20¼	20¼	19¾	19¾
107½	104	6	5.6	Do. pref.	....	(105¼ bid 106¼ asked)			
126	108	5	4.6	Dom. Glass	5	108	108	108	108
155	140	7	4.7	Do. pref.	....	(150 bid — asked)			
29½	27	1.20+40c	6	Dom. Oilcloth	....	(— bid 27 asked)			
.70	.45	•	...	Dom. Scot. Inv.	50	.60	.60	.60	.60
27	22½	‡2.25	...	Do. pref.	25	24¾	24¼	24¼	24¼
1¾	1¼	•	...	Dom. Square	....	(1¼ bid 1¾ asked)			
9¾	6	•	...	Dom. St. & C.B.	922	6¾	6½	6½	6½
6	3¼	•	...	Dom. Stores	1555	5¼	5	4½	4½
6	3¾	•	...	Dom. Tar & Ch.	85	4¼	4½	4½	4½
90	82¾	5.50	6.1	Do. pref.	55	87½	90	89	89
83	69	5	6.4	Dom. Textile	110	77	78	77½	77½
155	140	7	4.6	Do. pref.	10	153	153	153	153
1.75	.50	•	...	Dom. Woollens	520	.75	1.25	1.00	1.00
9¼	6	60c	...	Do. pref.	70	7¼	7¾	7¼	7¼
5¾	2¾	10c	...	Donnacona P.A.	195	4¼	4¾	4½	4¾
5¾	2¼	10c	...	Do. (B)	155	4¼	4¾	4½	4½
7	4	•	...	Dryden Paper	700	6	6½	6	6
.80	.50	•	...	East Koot. Pr.	....	(— bid .50 asked)			
10	6	•	...	Do. pref.	....	(6 bid — asked)			
.75	.25	•	...	East Dairies	25	.75	.60	.60	.60
10½	5½	•	...	Do. pref.	....	(7 bid 8¼ asked)			
13¼	10	1	10	East Steel	....	(10½ bid 11 asked)			
4½	4	•	...	East Theat.	....	(6 bid — asked)			
3¼	2	•	...	Easy Washing	100	3¼	3¼	3¼	3¼
25	21½	2	...	Economic Inv.	....	(— bid 25¼ asked)			
8	4½	80c	...	Electrolux	....	(4¼ bid 5 asked)			
3¼	2	•	...	Enam. & Heat.	420	3¾	3¾	3¾	3¾
30	23	2.50	10	English Electric	....	(29¾ bid 32¼ asked)			
5¾	3	•	...	Do. (B)	195	3	4	4	4
5¾	5	15c	3	Equitable Life	24	5¼	5	5	5

F, G

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
3	1	•	...	Fairchild Air.	50	2¾	2¾	2¾	2¾
20	16	1	5.6	Fam. Players	....	(— bid 18 asked)			
28	20¾	1.50+25c	7¼	Fanny Farm.	534	23¼	23¾	22¾	23¼
6	3	•	...	Fleet Aircraft	140	3¾	3¾	3¼	3¾
§1.50	.75	•	...	Fleury Bissell	....	(.20 bid .50 asked)			
15	10	•	...	Do. pref.	....	(9 bid 12 asked)			
18	14¾	1	5.8	Ford Motor A.	3706	17½	17½	17	17
18¼	15	1	5.6	Do. (B)	....	(17 bid — asked)			
.15	.15	•	...	For. Pr. Secs.	....	(— bid .25 asked)			
16¾	10½	1+25c	8	Foundation Co.	225	15¼	15¼	15¼	15¼
14	4¼	•	...	Fraser Cos.	57	13¼	13¼	10	13¼
14	5¾	•	...	Do. Vot. Tr.	724	13¼	13¾	12¼	13
.50	.50	•	...	Freiman	....	(.50 bid — asked)			
55	41	‡3	...	Do. pref.	....	(50 bid — asked)			
9¾	5¼	‡55c	..	Gatineau Pwr.	70	5¾	5¾	5½	5½
90	69	5	6.7	Do. pref.	86	72	75	74	75
95½	75	5.50	7.2	Do. 5½% pref.	15	77	77	77	77
1.25	.15	•	...	Do. Rights	....	(— bid 1.00 asked)			
7¼	4¼	•	...	Gen. St. Wares.	4600	5¼	6¾	6	6¼
94	86	7+27c▪	..	Do. pref.	58	93	93	91	91
80	66	2.50+1.50	5	Goodyear T.	10	75	75	75	75
56	52¾	2.50	4.6	Do. pref.	5	55¼	54¼	54¼	54¼
67	67	‡5	...	Gould Pumps	....	(— bid — asked)			
4	2¼	•	...	Gt. Lakes Pap.	....	(1¼ bid 3¼ asked)			
16	16	1.50	...	Do. pref.	5	..	16	16	16
3¼	1¾	•	...	Do. Vot. tr. c.	8	2¼	2¼	2¼	2¼
19¾	12	1.50	...	Do. Vot. tr. p	19	18	17¼	17	17¼
5¼	1¾	•	...	Gt. W. Saddlery	150	5	5	5	5
30	25	‡4.50	..	Do. pref.	20	26	30	30	30
11¼	9	60c	6.7	Greening Wire	....	(11 bid 12¼ asked)			
§1.25	1.25	10c	...	Growers' Wine.	....	(— bid — asked)			
4¼	2¼	•	...	Gurd, Chas.	10	3	2¾	2¾	2¾
§107½	106¼	•	...	Do. pref.	....	(— bid 90 asked)			
4¼	2	•	...	Gypsum, Lime.	445	3¾	3¾	3¼	3¼

H, I

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
17	16½	1	...	Halifax Fire	....	(15 bid — asked)			
5¼	2¾	•	...	Ham. Bridge	635	3¼	3¾	3¼	3¼
36	34½	2+2▲	5¼	Ham. Cot., pf.	....	(35 bid 37 asked)			
1.50	.50	•	...	Ham. U. Theat.	....	1.25 bid 1.70 asked			
75	65	5	6.7	Do. pref.	....	(70 bid 90 asked)			
3¼	2¼	20+10c	..	Harding Carpet	....	(3¾ bid 4 asked)			
.25	.25	•	...	Hillcrest Coll.	....	(.25 bid 1.00 asked)			
4	2	•	...	Do. pref.	....	(2¼ bid — asked)			
12¼	8¼	‡62½c	..	Hinde & Dauch	....	(12 bid 12¾ asked)			
•20	20	•	...	Holt Renfrew	....	(— bid — asked)			
35	35	•	...	Do. pref.	....	(40 bid 45 asked)			
17¼	14	2	14.2	Honey Dew	....	(12 bid 18 asked)			
16	10½	•	...	H. Smith Pap.	50	14¼	14	14	14
101	94	6	6	Do. pref.	697	99½	100	100	100
18	10¼	1	9.1	Humberstone S.	....	(10 bid 11 asked)			
8¼	3¼	•	...	Hunts (A)	....	(6 bid 7¼ asked)			
8¼	2	•	...	Do. (B)	....	(6 bid 7 asked)			
57	52	4	7.5	Huron & E. Mt.	4	55	53	53	53
9¼	8	80c	...	Do. 20% pd.	....	(8¼ bid 10 asked)			
.80	.60	•	...	Hydro Electric.	....	(— bid 1.00 asked)			
211	192	10	4.8	Imperial Bank	69	210	207	206	207
10¼	8¾	50c	5.4	Imperial Oil	12365	9¼	9¾	9	9¼
14	11	40+22½c	5	Imperial Tob.	3206	12¾	12¾	12¼	12¼
8	5	6%	3.8	Do. pref.	740	6	7¾	7¼	7¼
16	10	1	...	Indust. Accept.	....	(10 bid — asked)			
25	23	3	...	Inter-City Bak.	....	(22 bid 33 asked)			
50	39	‡5+1	..	Inter'c Coal	....	(42 Aug. 5)			
§120	120	8	...	Do. pref.	....	(— bid — asked)			
16¾	12	1.50	12.5	Inter. Bronze	20	12¼	12¾	12	12
25	10	1.50	7.2	Do. pref.	25	21	21	21	21
.30	.25	3c	..	Int. Coal & C.	....	(.25 bid .40 asked)			
10¼	6	•	...	Int. Metal Ind.	340	8¼	8¼	8	8
105	93	6+6▲	6.2	Do. pref.	200	97	96	96	96
100	93	6+6▲	6.2	Do. pref. A.	....	(90 bid 112 asked)			
115¾	109½	5	4.4	Int. Mill., pf.	40	112	112	112	112
38¼	29¼	2	6.2	Int. Nickel	4010	32	32¾	31½	32
157	150	7	4.4	Do. pref.	....	(— bid — asked)			
2¼	2	•	...	Int. Paints	....	(1 bid 2¼ asked)			
15	15	1+25c▲	..	Do. pref.	....	(13¼ bid 20 asked)			
16	13	1	6.6	Int. Pete.	5143	15¼	15¾	15	15
3¼	2	•	...	Int. Power	16	2¾	2¾	2¾	2¾
93	79¾	7+1.25▲	7.6	Do. pref.	40	92¼	92½	92¼	92¼
•11¾	10¼	•	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3¼	•	...	Do. (B)	....	(— bid 4 asked)			
9¼	4¼	•	...	Int. Util. (A)	30	4¼	5¼	5	5¼
.25	.10	•	...	Do. (B)	1050	.15	.15	.15	.15

J, K, L

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13 asked)			
116	116	7	6	Do. pref.	....	(— bid 120 asked)			
11	8	•	...	Kelvinator	....	(6¾ bid 8 asked)			
15	5	•	...	L. St. John Pr.	59	12	12	12	12
1.25	.40	•	...	Lake Sulphite	250	1.00	.75	.60	.60
18¼	11½	1	5.7	Lake of Woods.	315	17¼	17¼	17¼	17¼
125½	110	7	5.6	Do. pref.	....	(115 bid 125½ asked)			
53	43	4	8.4	Landed Bank	....	(47½ bid 54 asked)			
12	8¼	70+12½c		Lang, J. A.	75	11	11	11	11
•3¼	2¼	•	...	Langley's	....	(— bid 1 asked)			
25	15	2	...	Do. pref.	....	(20 bid 25 asked)			
11	9	80c	7.6	Laura Secord	645	10¾	10¾	10½	10½
12	6¼	•	...	Legare, pref.	25	9	9	9	9
3¼	2¼	30c	..	Levy Bros.	....	(2 bid 3¼ asked)			
6¼	4¼	•	...	Lindsay, C. W.	....	(4¼ bid 5¾ asked)			
53	50	•	...	Do. pref.	....	(50 bid 60 asked)			
28	24	1+25c	4.8	Loblaw (A)	554	25¾	26	25¼	25¼
26	22	1+25c	5.3	Do. (B)	320	23¼	23½	23	23¼

M

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
1.00	1.00	•	...	Mackenzie Air.	25	1.00	1.00	1.00	1.00
2	2	•	...	Mackin. Steel	....	(2 bid — asked)			
65	50	5	...	Do. pref.	....	(60 bid 75 asked)			
15¾	11	•	...	Maclaren Pr.	346	14¼	15¼	14¾	15¼
8¼	7	•	...	M. L. Gardens.	....	(7 bid 8¾ asked)			
7¼	5	40c	6.4	Do. pref.	....	(5¼ bid 7 asked)			
4¼	1¾	•	...	Maple Leaf M.	140	2¾	2¾	2¾	2¾
6¾	2¼	•	...	Do. pref.	154	5	5	4¼	4
16¼	15	75+10c	5	Maritime Tele.	....	(16¼ bid — asked)			
16¾	16	70c	4.2	Do. pref.	....	(16¾ bid — asked)			
18	14¾	•	...	Marcus Loew's.	....	(18 bid — asked)			
•100	100	7+5.25▲		Do. pref.	....	(— bid — asked)			
3¼	2	•	...	Massey-Harris	1865	2	2¼	2	2
60¼	25	•	...	Do. pref.	855	54¾	56¼	54	54¼
5	3¼	•	...	Do. com. new	1915	3¾	3¾	3¼	3¼
12¾	11¼	•	...	Do. pfd. new.	2820	89¼	12¾	11¾	11¾
5¾	3	•	...	McColl Fron.	897	3¼	4	3¼	4
98	85	6	6.8	Do. pref.	37	89¼	91	88	90
2.00	.75	•	...	Melchers	....	1.00 bid 1.25 asked			
6	5	60c	10.9	Do. pref.	....	(5¼ bid 6 asked)			
7¼	3	•	...	Mercury Mills.	....	(2¾ bid 3¼ asked)			
50	45	2.50	5	Mitchell, J. S.	....	(— bid 50 asked)			
14	7¼	1.50	11.1	Mitchell, Robt.	50	13¼	13¼	12¼	12¼
17¼	15	80+40c	7¼	Mod. Contain.	120	16¾	15¾	15¾	15¾
98	97½	5.50	5.6	Do. pref.	....	(— bid 100 asked)			
2	1¼	•	...	Monarch Knit	....	(— bid — asked)			
75	50	7	...	Do. pref.	10	55	50	50	50
65	55	4	6.7	Montreal Cot.	....	(56¼ bid — asked)			
118	110	7	6.3	Do. pref.	15	113	111¼	111¼	111¼
1.00	.25	•	...	Mont. Is. Pr.	....	(.25 bid 2.00 asked)			
29¼	20¼	1.50	6.7	Mont. L. & Pr.	3388	22	22¾	22	22¼
50¼	47¼	•	...	Do. Notes	153	49	49¼	49	49¼
15	13	1.25	9.6	Montreal Loan.	8	15	13	13	13
.85	.15	•	...	Mtl. Refrig & S	....	(.75 bid — asked)			
13	9¾	1.25	...	Do. pref.	....	(10¾ bid 14 asked)			
30	25	°1.96	...	Montreal Tele.	....	(— bid 27 asked)			
52	15	•	...	Montreal Trams	5	17¼	17¼	17¼	17¼
47¼	41	2.22+66⅔c	6	Moore Corp.	433	46¾	46¾	45¾	46¾
188	176	7	3.9	Do. pref. (A)	....	(179 bid 186 asked)			
279	265	7	2.5	Do. pref. (B)	....	(268 bid — asked)			
.10	.05	•	...	Muirheads	....	(.10 bid .20 asked)			
§1	1	•	...	Do. pref.	....	(— bid — asked)			

N, O

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
28	19	2	7.4	Nat. Breweries.	385	27	27¼	26	26
40	35	1.75	4.5	Do. pref.	100	40	39	39	39
5¼	3¾	•	...	Nat. Grocers	175	4¾	4¾	4¾	4¾
26¼	24¼	1.50	5.8	Do. pref.	....	(26¼ bid 26¼ asked)			
8¾	7	•	...	N. Sew. Pipe A	25	8¾	8¼	8¼	8¼
39	30¼	2	6.9	Nat. Steel Car.	160	32	33¼	32	32
150	140	8	5.7	National Tr.	....	(130 bid 140 asked)			
§9¼	9¼	60c	..	Neon Prod.	....	(— bid — asked)			
25¼	15	2	11.4	Niag. W. Weav.	....	(18 bid 18¾ asked)			
3¾	2	•	...	Noorduyn Av.	....	(2 bid 3¼ asked)			
.90	.35	•	...	North Star Oil.	....	(.40 bid .80 asked)			
3¾	2¾	35c	...	Do. pref.	....	(3 bid 3¼ asked)			
88	86	6	6.8	N. S. L. & Pr.	....	(88 bid 90 asked)			
108¼	102	6	5.5	Do. pref.	....	(108¼ bid — asked)			
22¼	18	1	4.6	Ogilvie Flour	500	21¼	21¾	21¼	21¼
155	145	7	4.5	Do. pref.	2	153	154	154	154
113	105	5	4.6	Ontario Loan.	....	105 bid 113¾ asked			
3	3	•	...	Ont. Silknit	....	(— bid 3 asked)			
45	35	‡3	...	Do. pref.	....	(— bid 45 asked)			
10	7	1	...	Do. Scripts	20	10	10	10	10
10	8¼	1	...	Ont. Steel	....	(— bid 12 asked)			
110	110	7	6.4	Do. pref.	....	(— bid 120 asked)			
2	1	•	...	Orange Crush.	2	1	2	2	2
6¼	3	•	...	Do. pref.	....	(3 bid 3¾ asked)			
8¼	5	40c	6.7	Ott. Car Air	....	(— bid 6 asked)			
16	12	1.20+50c		Ottawa El. Rly.	....	(15 bid 16 asked)			
11	4¾	60c	12.6	Ott. L. H. & Pr.	205	5	4¾	4¾	4¾
99	80	5	6.2	Do. pref.	....	(81 bid 85 asked)			

P, Q, R

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
35	32	3c	..	Pacific Coyle	....	(32 bid — asked)			
106¼	95¼	5	4.8	Page Hersey	45	102¼	104¼	101	101
4¾	4¼	•	...	Pantepec Oil	....	(— bid 6¼ asked)			
30¼	25	2	6.6	Paton Mfg.	....	(30 bid — asked)			
115	115	7	6.1	Do. pref.	....	(112 bid — asked)			
52	46	3	6.2	Penmans	....	(— bid 48 asked)			
124	120	6	4.8	Do. pref.	....	(122¼ bid — asked)			
16¼	12	1	7.7	Photo Eng.	2	12	13	13	13
99	95¼	7	7.1	Porto Rico Pr p	....	98 bid 100¼ asked			
6	2	30c	...	Power Corp.	490	3¼	3¾	3¼	3¼
98	75	6	7.5	Do. pref.	20	78¼	81	80	80
43	28	3	9.4	Do. 2nd pref.	60	33	33	32	32
9¼	4¼	•	...	Pressed Metals.	825	4¾	4¾	4¼	4¾
12¼	8¾	•	...	Price Bros.	230	11	11¾	11¼	11¼
75	61	5.50	7.3	Do. pref.	15	74¼	74¼	74¼	74¼
7	5	40c	8	Prov. Transport	....	(5¾ bid 6 asked)			
14¼	9¼	1	8	Quebec Power.	174	13	12¼	12¼	12¼
4	4	•	...	Que. Telephone.	....	(4 bid — asked)			
30	24	2	6.7	Real Estate L'n	....	(26¼ bid — asked)			
5	3	25c	...	Regent Knit	175	3	3¼	3¼	3¼
18	15¼	1.60	9.4	Do. pref.	....	(17 bid 18 asked)			
4¼	2¼	•	...	Reliance Grain.	....	(3 bid 6 asked)			
65	60	6.50	10	Do. pref.	....	(63 bid 72 asked)			
20	15¼	1	11.4	River S. Mill	....	(17¼ bid 28 asked)			
10	9	60c	6.7	Rolland Pap.	....	(— bid 9 asked)			
95	88	6	6.5	Do. pref.	....	(91¼ bid — asked)			
167¼	148	8	5.2	Royal Bank	508	153¼	153¼	152	153
18	14	80c	4.4	Russell Indust.	50	18	18	17	17
180	145	7	3.9	Do. pref.	5	180	180	180	180

S

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
107	103	5.50	5.2	Saguenay Pr. p.	....	(106 bid — asked)			
34¼	34¼	‡75c	..	Sangamo	....	(20 bid 33¼ asked)			
9	6¼	•	..	Sarnia Br. (A)	....	(6 bid 8 asked)			
1	¾	•	..	Do. (B)	....	(1 bid 3 asked)			
..	..	•	...	Scythes & Co.	....	(15 bid 19¾ asked)			
..	..		...	Do. pref.	....	(25 bid 26 asked)			
17	12	90c	6.7	Shawinigan Pr.	2470	13¼	13¾	13	13¼
13¼	8¼	•	...	Sher. Wms.	230	12¼	13¼	13¼	13¼
115¼	108¼	7+7▲	6	Do. pref.	10	115¼	115	115	115
7	3	40c	6.2	Silverwoods	60	6¼	6¼	6¼	6¼
6¾	5¼	40c	5.9	Do. pref.	80	6¾	6¼	6¼	6¼
9	5¾	60c	6.7	Simon & Sons.	15	8	9	9	9
106	103	7	6.8	Do. pref.	....	(— bid 105 asked)			
11	8¼	•	...	Simpson, A.	....	(8 bid 10 asked)			
5	1¼	•	...	Do. (B)	55	3	2¼	1¾	2¾
100	88¾	6.50	7.3	Do. pref.	60	89	90	88¼	88¼
135	132	6	4.4	Simpson, R., pf.	....	(132 bid 140 asked)			
11	8	80c	9.2	So. Can. Pr.	130	9	9	8¼	8¼
106	97	6	6	Do. pref.	2	100	100	100	100
2¼	1¼	•	...	St. Law. Corp.	717	1¾	1¾	1¾	1¾
18	13	1+1▲	5.9	Do. (A)	762	16¾	17¼	16	16
22	19	1+50c	7.5	St. Law. Flour.	....	(20¼ bid 25 asked)			
120	110	7	6.1	Do. pref.	5	120	115	115	115
44	31	3+1.50▲	7	St. Law. Pap. p	265	43¼	44	43¼	44
12¼	8	‡1.25	...	Stand. Chem.	....	(11 bid 12 asked)			
5	1	•	...	Stand. Clay	7	1	1	1	1
.90	.50	•	...	St. Pav. & Mat.	200	.55	.50	.50	.50
5	2¼	‡62½c	..	Do. pref.	100	4	4	4	4
4	2¼	20c	5.3	Stand. Radio	805	3¾	3¼	3¼	3¼
25	18	60+60c	6	Stedman Bros.	....	(20¼ bid 20¼ asked)			
70	59¼	3	4.6	Steel of Can.	315	65¼	66	65	65
76	64	3	4.2	Do. pref.	140	73	73	72	72
3¼	2	•	...	Sterling Coal	....	(— bid 5 asked)			
.15	.15	•	...	Stop & Shop	....	(— bid .20 asked)			
15	10	80+50c▪	6	Stuart, D.A. pf	10	13¼	13¼	13¼	13¼
§3¼	2¾	•	...	Supersilk, H. A.	....	(— bid 2¼ asked)			
3	2¾	•	...	Do. (B)	....	(— bid 3 asked)			
70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
30	19	1+25c	6.6	Sup. Pete. ord.	....	(19 bid 21¼ asked)			
27	19¼	1+25c	6.4	Do. com.	....	(19¼ bid 32 asked)			

T, U, V

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
11¼	9¾	80c	6.9	Tamblyn	50	11	11¼	11¼	11¼
52¾	52¼	2.50	4.8	Do. pref.	....	(52¼ bid — asked)			
§3	3	•	...	Thayers	....	(1¼ bid 3 asked)			
§36	20	2.50	...	Do. pref.	....	(21 bid 35 asked)			
2	1	•	...	Thrift Stores	....	(1 bid 2¼ asked)			
10	8	•	...	Do. pref.	....	(— bid — asked)			
10	6	60c	7	Tip Top Tailors	10	8¼	8¼	8¼	8¼
107	100	7	6.6	Do. pref.	....	(110 bid — asked)			
1.50	1.00	•	...	Tooke Bros.	....	(1.00 bid — asked)			
13	11	•	...	Do. pref.	12	11	12	11	12
21¼	19	1	5	Tor. Elevators	....	(17 bid — asked)			
51	42	2.62½	5.3	Do. pref.	....	(48¾ bid 51 asked)			
80	63	4	5.3	Tor. Gen. Tr.	....	(70 bid 73¾ asked)			
88	69	5	5.8	Toronto Mtge.	....	(82 bid 86 asked)			
155	139	7	4.7	Tuckett Tob. p.	5	147	150	150	150
2.00	1.00	•	...	Twin City	25	1.25	1.10	1.10	1.10
26¼	21¼	•	...	Do. pref.	....	(— bid — asked)			
14¼	10¼	80+20c	9	Union Gas	621	10¾	10¾	10¼	10¼
13¼	12	80c	6.2	Un. Amuse. A.	....	(12 bid — asked)			
13¼	13	80c	5.9	Do. (B)	....	(12 bid — asked)			
1.10	.60	•	...	United Distill.	100	1.10	.95	.95	.95
40¼	30	3	7.9	United Fuel, pf.	....	(38 bid 38¼ asked)			
5¾	2¼	•	...	Do. (B) pref.	135	3¾	3¼	3¼	3¾
4¾	1	•	...	United Secs.	....	(2 bid 2¾ asked)			
5¼	2¾	•	...	United Steel	495	3¾	3¼	3¼	3¾
4	3	•	...	Viau Bisc.	....	(3 bid — asked)			
60	50	5	10	Do. pref.	....	(50 bid — asked)			

W, Y, Z

Range 1941 High	Low	Div R'te $	Dec. 6 Y'ld %		Sales	Last Dec. 1	Week end. Dec. 8 H	L	Cl'se
38	23¼	2	5.3	Wabasso Cot.	450	37¼	37¼	37¼	37¼
50	36¼	4	8.2	Walker-Good.	2311	48¼	50	48	48¼
20¼	19	1	4.8	Do. pref.	641	20¼	20¼	20¼	20¾
1.00	.50	5c	...	Walkerville Br.	100	1.00	1.00	1.00	1.00
§135	130	7	5.4	W. Koot. Pr. p.	....	(135 bid — asked)			
2.00	.75	•	...	West. C. Flour.	285	1.20	1.20	1.20	1.20
26	14	•	...	Do. pref.	89	23¼	24	20¼	20¼
60	40	3+1	8	West Grocers	....	(50 bid 75 asked)			
115	107	7	6.4	Do. pref.	....	(112 bid — asked)			
§15¼	11¾	50c	...	W'minster Pap.	....	(— bid — asked)			
12	9	80c	7.3	Weston Ltd.	260	10¼	11	10¼	11
98	90	5	5.3	Do. pref.	....	(93 bid 95 asked)			
18¼	14¾	1	6.1	Wilsils	5	16¼	16¼	16¼	16¼
1.20	.50	•	...	Winnipeg El. A	339	1.10	1.10	1.10	1.10
1.40	.65	•	...	Do. (B)	223	1.00	1.10	.75	1.10
8	3¾	•	...	Do. pref.	142	7	7¼	7¼	7¼
85	73¼	7	8.5	Wood A. & J. p	5	82¾	82	82	82
60	45	•	...	Woods Mfg. pf.	30	50¼	60	60	60
5¼	4	40c	...	York Knitting.	....	(5 bid 5¼ asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
13	8¼	80c	6.7	Zellers	45	12¼	12¼	11¾	11¾
25¼	23¼	1.50	6	Do. pref.	115	25	25	25	25

Quotations: § 1940. • 1939. • 1938.
▲ On account of arrears. ‡ Paid in 1940.
▪ Participating. ‡ Paid or payable in 1941 to date.
° Paid in 1941 after corporate income tax.
† Payable 25c Dec. 18, 1941; 25c June 18, 1942.
b Plus $1.25 payable in new 5% pref. stock.

Mining Stocks

Week Ending December 8

A

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
No	.24	.05	Aldermac	3,500	.14	.14½	.12	.14
1	.02½	.00½	Amm. Gold	2,500	.00¾	.00¾	.00½	.00¾
No	3.15	1.90	Anglo-Huronian	12	2.65	2.65	2.65	2.65
No	.40	.30	Argus Interests	......	(.35 bid	.50 asked)		
No	.03	.01	Arno		(.... bid	.01½ asked)		
1	.11	.03¾	Arntfield	44,500	.09½	.10½	.08½	.08½
1	.06½	.03¾	Ashley	2,000	.06	.05¾	.05½	.05½
1	.05	.02	Astoria Quebec	......	(.02½ bid	.02¾ asked)		
1	2.45	1.50	Aunor Gold	1,166	1.65	1.66	1.60	1.60

B

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	.16½	.05	Bagamac	......	(.07 bid	.09 asked)		
1	.08	.03	Bankfield	3,866	.04½	.04½	.04	.04½
No	.14	.05	Base Metals	......	(.08½ bid	.09½ asked)		
1	.15	.06	Bear Exploration	5,300	.06½	.07	.06	.06½
1	1.24	1.00	Beattie Gold	1,808	1.03	1.03	1.00	1.01
1	.09	.03½	Beaufor	1,500	.03½	.03½	.03½	.03½
1	1.00	.90	Berens River	......	(.60 bid	1.00 asked)		
1	.15	.07	Bidgood Kirk	35,500	.11	.12	.10½	.11
1	.11	.05	Bobjo	4,400	.07	.07½	.06½	.06½
1	.59	.35	Bonetal Gold	812	.36	.35	.35	.35
1	.03	.00½	Bouscadillac G.M.	......	(.02 bid	.02½ asked)		
No	11.63	9.50	Bralorne	525	10.25	10.50	10.00	10.00
1	.03	.02½	Brasil Gold	......	(.... bid	.02¾ asked)		
1	.00½	.00¼	Brett Trethewey	......	(.00½ bid	.00¾ asked)		
1	1.10	.64	Broulan Porc.	20,900	.64	.71	.66	.66
1	5.95	3.00	Buffalo Ankerite	1,725	3.15	3.15	3.00	3.00
No	.06	.02½	Buffalo Can.	3,000	.02½	.02¾	.02½	.02½
5	19.00	14.25	Bulolo Gold	325	17.75	17.75	16.00	16.00
No	.03	.01½	Bunker Hill	......	(.01½ bid	.02½ asked)		

C

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	.10	.09	Camp Bird	......	(.08½ bid	.09½ asked)		
No	.63	.45	Can. Malartic	1,400	.52	.50	.50	.50
1	2.91	1.85	Cariboo Gold	700	1.90	1.95	1.85	1.85
1	.02½	.01	Cartier Malartic	......	(.... bid	.01 asked)		
1	.60	.40	Castle Trethewey	1,487	.55	.53	.50	.53
1	.08	.05	Cen. Cadillac	10,500	.06½	.06½	.06	.06
1	.01½	.01½	Cen. Manitoba	......	(.... bid	.... asked)		
1	1.95	1.35	Cen. Patricia	4,350	1.49	1.49	1.40	1.45
1	.21	.09	Cen. Porcupine	7,500	.09½	.09¾	.09	.09
1	.18½	.15	Century Mining	......	•(.... bid	.14 asked)		
1	1.87	1.10	Chesterville	8,661	1.70	1.70	1.60	1.65
No	2.40	2.10	Chromium	90	2.21	2.21	2.21	2.21
5	1.35	.50	Coast Copper	......	(.... bid	1.15 asked)		
1	1.04	.50	Cochenour Willans	2,075	.61	.59	.58	.58
5	1.55	1.20	Coniagas	......	(1.20 bid	1.40 asked)		
No	1.55	1.05	Coniaurum	3,661	1.10	1.12	1.06	1.06
5	41.37	31.50	Cons. Smelters	1,468	39.25	38.75	37.75	38.00

D, E

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	1.24	.65	Delnite	......	(.60 bid	.70 asked)		
1	.07½	.02½	Denison Nickel	1,000	.05½	.05	.05	.05
No	25.00	16.63	Dome Mines	1,135	18.00	18.50	17.50	17.50
1	.16¾	.08½	Duquesne	55,750	.10½	.11¼	.10	.10½
1	2.95	1.98	East Malartic	12,051	2.25	2.25	2.00	2.03
1	.52	.30	Eldorado	8,652	.38	.40	.35	.36

F, G

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
No	3.90	1.92	Falconbridge	2,340	3.30	3.40	3.25	3.25
1	.06	.02½	Federal	5,500	.02¾	.02¾	.02¾	.02¾
1	.06½	.01¾	Fernland	1,500	.01¾	.01¾	.01¾	.01¾
No	.63	.33	Francoeur Gold	2,935	.40	.40	.36	.36
1	.08½	.03	Gillies Lake	500	.04	.03¾	.03¾	.03¾
1	.02	.01	Glenora	......	(.01 bid	.01¾ asked)		
No	.41	.18	God's Lake	2,850	.22	.23	.22	.23
1	.16½	.11	Goldale	1,000	.11	.11½	.11½	.11½
50c.	.29	.20	Gold Belt	......	(.18 bid	.... asked)		
0	.10	.02½	Gold Eagle	500	.04	.03¾	.03¾	.03¾
1	.13	.04	Golden Gate	11,700	.04	.04½	.04	.04
1	.02	.00½	Goodfish	......	(.01 bid	.01½ asked)		
1	.02½	.01½	Graham Bosquet	4,000	.02	.02	.02	.02
No	.06½	.03½	Grandora	1,500	.05	.04½	.04½	.04½
1	.01½	.01½	Grull Wihksne	......	(.01¼ bid	.04 asked)		
1	.38	.10	Gunnar Gold	11,400	.12	.13	.10	.10

H, I, J

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	.09¾	.03	Halcrow Swayze	3,400	.03½	.03½	.03½	.03½
1	.01¾	.00¾	Halliwell Gold	......	(.00½ bid	.01¾ asked)		
1	5.40	3.50	Hallnor Mines	......	(.... bid	3.50 asked)		
1	1.10	.60	Hard Rock	14,320	.68	.67	.60	.60
1	.08½	.02½	Harker	2,000	.03	.03	.03	.03
1	.58	.43	Hedley Mascot	......	(.... bid	.... asked)		
5	13.12	10.50	Hollinger	2,067	10.63	11.00	10.50	10.50
1	.30	.18	Howey Gold	12,650	.21	.20½	.18½	.18½
No	30.50	23.50	Hudson Bay	1,065	26.50	27.25	26.25	27.00
1	.68	.20	Inspiration	1,600	.35	.35	.31	.31
No	38.25	29.25	Int. Nickel	4,010	32.00	32.37	31.50	32.00
50c.	1.30	.85	Island Mountain	......	(.... bid	1.35 asked)		
1	.02½	.00½	Jacola	......	(.01 bid	.01½ asked)		
1	.27	.10	Jack Waite	500	.16	.15½	.15½	.15½
1	.46	.26	Jason Mines	6,802	.30	.31	.28	.31
1	.03¾	.01	Jellicoe	4,000	.02½	.02¾	.02½	.02½
1	.01¾	.00½	J. M. Cons. Gold.	2,000	.00¾	.01	.01	.01
1	.03	.01	Joliet Quebec	6,500	.02	.03	.02	.02

K, L

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	4.90	3.05	Kerr Addison	19,213	4.65	4.65	4.40	4.50
1	.41	.20	Kerr Lake	......	(.16 bid	.... asked)		
1	.05	.01	Kirk. Gold Rand.	......	(.02½ bid	.05 asked)		
1	.42	.15	Kirk. Hud. Bay	2,700	.34½	.26	.25	.25
1	1.05	.58	Kirkland Lake	13,815	.63	.62	.59	.59
1	21.00•	10.75	Lake Shore	815	11.50	11.75	11.00	11.25
No	5.15	3.50	Lamaque Gold	606	3.85	4.15	3.90	4.15
1	.15	.06	Lapa Cadillac	2,000	.10	.10	.10	.10
1	.02½	.01	Lebel Oro	......	(.01 bid	.01¾ asked)		
1	.60	.39	Leitch Gold	1,800	.45	.45	.42½	.42½
No	2.10	1.40	Little Long Lac	2,500	1.55	1.70	1.40	1.40

M

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	4.35	2.92	Macassa	10,035	3.20	3.20	2.92	2.92
1	2.35	1.49	MacLeod Cockshutt	8,916	1.97	1.99	1.80	1.80
1	.76	.50	Madsen Red Lake	15,284	.55	.59	.53	.53
1	2.96	.85	Malartic Gold	33,890	2.35	2.38	2.10	2.20
No	.09½	.04	Mandy	500	.09½	.09	.09	.09
No	.01	.00½	Man. & Eastern	30,000	.00¾	.00½	.00½	.00
1	.04	.01	Maralgo	1,500	.02	.02	.02	.02
5	52.25	43.50	McIntyre	1,340	44.00	44.37	43.50	43.50
1	1.32	.96	McKenzie R.L.	5,000	1.05	1.04	.96	.96
1	.24	.04½	McLellan Gold	2,000	.04½	.04½	.04½	.04½
1	.09	.04	McVittie Graham	700	.06	.05½	.05½	.05½
No	.25	.10½	McWatters	4,500	.12½	.12	.10½	.10½
5	.20	†15	Mentor Exploration	......	(.15 bid	.42 asked)		
No	1.77	.55	Mining Corp.	300	1.31	1.33	1.27	1.27
1	•.05	.05	Moffatt Hall	......	(.01 bid	.... asked)		
1	.55	.26	Moneta	4,100	.28	.30	.28	.29
1	.07	.02	Murphy	......	(.... bid	.06½ asked)		

N, O

Par Val.	Range 1941 High	Low	Company	Sales	Close Dec. 1 (or last)	High for week	Low for week	Close Dec. 8
1	.31	.21	Naybob	16,150	.24½	.24½	.22	.23
1	.75	.45	Negus	......	(.44 bid	.50 asked)		
1	.03	.00½	New Golden Rose	......	(.01½ bid	.01½ asked)		
5	1.35	.75	Nipissing	470	1.00	1.00	1.00	1.00
No	58.00	48.50	Noranda	3,168	48.75	50.00	48.50	48.87
No	.52	.15	Nor. Canada	500	.25	.20	.15	.20
1	.04	.02½	Norgold	5,000	.04	.04	.04	.04

ual Meetings

Company	Place
dn. Ind. Alcohol ..	Montreal
w's London Theat. ..	Toronto
rcus Loew's Theat. ..	Toronto
thern Can. Pwr. ..	Montreal
nque Can. Nationale .	Montreal
nk of Toronto	Toronto

ning Dividends

	Rate	Dec. 8	Yield %
ronian	▲10c	2.65	..
terests	†4c	.30	..
old	16c	1.60	10
Gold	16c	1.01	15.8
Gold	†3c	1.00	..
River	80c+40c	10.00	*12
....	12c	.66	8.2
Porc.	▲30c	3.00	..
Ankerite	3c	16.00	..
Gold	8c	.50	16
alartic	16c+8c	1.85	*13
Gold	16c+6c	1.45	*15.1
Patricia	15c	1.65	..
rville	6c	.58	10.3
mour Willans	▲17½c	1.25	..
gas	16c	1.06	15
urum	$1+$1.50	38.00	6.6
Smelters	▲6c	.67	..
te	$2	17.50	11.4
e Mines	▲20c	2.03	..
Malartic	20c	3.25	..
onbridge	▲4c	.36	..
ncocur Gold	‡2c	.11	..
dale	▲2c	.20	..
d Belt	▲1½c	.16½	..
andview	60c	3.50	17.1
llnor	▲8c	.60	..
rd Rock	8c	.38	21
edley Mascot	65c+45c	10.50	*10.4
ollinger	▲4c	.18½	..
owey Gold	$2	27.00	7.4
udson Bay	†2c	.31	..
Inspiration	$2	32.00	6.2
Inter. Nickel, com.	▲18c	1.13	..
Island Mountain	†2c	.31	..
Jason	▲35c	4.50	..
Kerr-Addison	5c	.20	..
Kerr Lake	10c+1c	.59	*18.6
Kirkland Lake	▲8c	.21	..
Kootenay Belle	40c+15c	4.15	*13.3
Lamaque Gold	$1.40	11.25	12.4
Lake Shore	8c	.42½	18.8
Leitch	▲20c	1.40	..
Little Long Lac	32c+3c	2.92	*12
Macassa	▲3c	.53	..
Madsen R. Lake	†10c	2.20	..
Malartic Gold	‡3c+1c	.22½	..
McGillivray Coal	12c	.96	12.5
McKenzie Red L.	8c	.29	..
Moneta	$2.22+$1.11	43.50	*6.9
McIntyre-Porc.	10c	1.80	..
MacLeod-Cockshutt	4c	.23	..
Naybob Gold	†7½c	.45	..
Negus	15c	1.00	15
Nipissing	$4	48.87	8.2
Noranda	▲40c	3.75	..
North Empire	10c	.81	..
O'Brien Gold	18c	.92	19.5
Pamour Porc.	20c+2c	3.00	*7.3
Pato Cons.	▲6c	1.55	..
Pend Oreille	16c+9c	1.35	*18.5
Perron Gold	40c	2.06	19.5
Pioneer, B.C.	40c	2.52	15.9
Pickle Crow	$1.20	9.00	13.3
Placer Develop.	11c	.62	17.7
Premier	20c+10c	3.05	*9.8
Preston E. Dome	12c+4c	.47	..
Privateer Mines	2c	.20	..
Quebec Gold	14c+6c	2.11	*9.4
San Antonio	16c+1c	.89	19.1
Sheep Creek	▲5c	.88	..
Sherritt Gordon	▲30c	6.65	..
Sigma Mines	16c	.73	21.8
Silbak Premier	▲8½c	.51	..
Siscoe	4c	.12	..
Sturgeon River	▲5c	1.50	..
Sudbury Basin	▲5½c	.64½	..
Sullivan Cons.	▲2c	.10	..
Surf Inlet	28c	1.95	14.3
Sylvanite Gold	40c	2.30	17.3
Teck-Hughes	12c+6c	1.20	*15
Toburn	▲11c	1.15	..
Upper Canada	▲20c	3.90	..
Ventures	40c	4.40	..
Waite Amulet	3c	.15	..
Wendigo	40c+20c	2.65	*22.6
Wright-Harg.	2c	.04¼	..
Ymir Yankee			

‡Paid in 1940. ▲Paid or declared payable in 1941 to date. †Initial.
*Yield including bonus.

DIVIDEND NOTICES

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1941.

Notice is also hereby given that a dividend of one and one-quarter percent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1941.

Subject to the approval of the Foreign Exchange Control Board the above Dividends will be paid on Friday, the 2nd day of January, 1942, to Shareholders of record at the close of business Monday, the 15th day of December, 1941.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 25th November, 1941.

Canada Permanent Mortgage Corporation

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable **FRIDAY, THE SECOND DAY OF JANUARY** next, to Shareholders of record at the close of business on the Fifteenth day of December, 1941.

By order of the Board.

Walter F. Watkins,
Secretary.

Toronto, November 19th, 1941.

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass, p. .	$1.75	Jan. 2	Dec. 15
Anglo Can. Oil	2c	Dec. 20	Dec. 4
Algoma Steel, pf. .	$2.50	Jan 1	Dec. 15
Asbestos Corp.	15c	Dec. 31	Dec. 1
Do., bonus	15c	Dec. 31	Dec. 1
Amer. Cyan., A, B	†15c	Jan. 2	Dec. 12
Do., ...	‡$1.25	Dec. 17	Dec. 1
Do., pref.	†12½c	Jan. 2	Dec. 12
Amal. Elec.	25c	Jan. 2	Dec. 15
Argus Interests	4c	Jan. 22	Jan. 3
Assoc. Brew., c. ..	$1	Dec. 22	Dec. 15
Do., pref.	$1.75	Jan. 2	Dec. 15
Acme Glove, pfd. ..	$3.25	Jan. 2	Dec. 18
Bk. of Nova Scotia ..	$3	Jan. 2	Dec. 16
Borden	†50c	Dec. 20	Dec. 8
Beatty Bros., 2nd p.	$3.50	Jan. 2	Dec. 15
Bell Telephone	$2	Jan. 15	Dec. 23
Blue Top Brew., A ..	30c	Dec. 31	Dec. 15
Beattie Gold	4c	Dec. 20	Nov. 25
Berens River	*3c	Dec. 18	Dec. 5
Bright, T. G.	7½c	Dec. 15	Nov. 29
Do., pref.	$1.50	Dec. 15	Nov. 29
Brazilian Tr., ord. ..	40c	Dec. 22	Oct. 15
B. C. Power, A	50c	Jan. 15	Dec. 31
Brazilian Tr., pfd. ..	$1.50	Jan. 2	Dec. 15
B. C. Elec. Pr. Gas p	$1.50	Jan. 2	Dec. 20
Burlington Steel	15c	Jan. 2	Dec. 15
Belding-Cort.	$1	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 2	[illegible]
Bulolo Gold	$1.50	Dec. 23	Dec. 5
B. C. Elec., pref. ..	$1.50	Jan. 2	Dec. 20
B. A. Oil	25c	Jan. 2	Dec. 8
Bralorne Mines	20c	Jan. 15	Dec. 31
Do., extra	10c	Jan. 15	Dec. 31
Brant. Cordage 1st p	32½c	Jan. 15	Dec. 20
Can. Machinery, c.	50c	Dec. 20	Dec. 10
Can. Light & Pr. ...	50c	Jan. 15	Dec. 26
Canadian Car, p. ..	44c	Jan. 10	Dec. 20
Can. Pac. Rly. pfd.	2%	Feb. 1	Jan. 1
Chartered Trust	$1	Jan 2	Dtc. 15
Consumers' Gas	$2	Jan. 2	Dec. 15
Carnation Co., pfd.	†$1.25	Jan. 2	Dec. 13
Canada Cycle	30c	Jan. 2	Dec. 10
Do., extra	20c	Jan. 2	Dec. 10
Do., pref.	$1.25	Dec. 26	Dec. 10
Can. Nor. Pwr.	■15c	Jan. 26	Dec. 31
Do., pref.	■$1.75	Jan. 15	Dec. 31
Can. Wire. Box, A .	37½c	Jan. 2	Dec. 15
Do., extra	12½c	Jan. 2	Dec. 15
Can. Celanese	25c	Dec. 31	Dec. 16
Do., extra	50c	Dec. 31	Dec. 16
Do., pref.	$1.75	Dec. 31	Dec. 16
Can. Bakeries, pfd. .	$2.50	Jan. 15	Jan. 3
Canadian Oil, pfd.	$2	Jan. 2	Dec. 20
Catelli Food, pfd.	37c	Dec. 10	Dec. 5
Can. West'ghouse ..	■50c	Jan. 1	Dec. 16
Canadian Fire	$2	Jan. 2	Dec. 20
Can. Indemnity ...	$3	Jan. 2	Dec. 20
Do., extra	$2	Jan. 2	Dec. 20
Canada Packers	$1	Jan. 2	Dec. 15
Can. Perm. Mtge. ..	$2	Jan. 2	Dec. 15
Can. W. & Cable, A	■$1	Dec. 15	Nov. 30
Do., B	■50c	Dec. 15	Nov. 30
Do., pef.	■$1.62½	Dec. 15	Nov. 30
Can. Breweries, p. ..	75c	Jan. 2	Dec. 15
Can. Gen. Elec.	$2	Jan. 2	Dec. 13
Can. For. Inv., pfd.	$2	Jan. 1	Nov. 15
Cariboo Gold	4c	Jan. 2	Dec. 3
Do., bonus	1c	Jan. 2	Dec. 3
Cel. of Amer. pfd.	†$1.75	Jan. 1/42	Dec. 16
Do., part. pfd. ..	†$3.50	Dec. 31	Dec. 16
Cent. Pat. Gold ..	4c+1c	Jan. 2	Dec. 15
Chesterville L. L. ..	5c	Dec. 30	Dec. 15
Cons. D. Std. Sec. p	37½c	Dec. 15	Nov. 29
Can. Oil, c. bonus ...	20c	Dec. 15	Dec. 1
Can. Forgings, A ..	37½c	Dec. 15	Dec. 1
Canada Cement, pf.	$2.75	Dec. 20	Nov. 30
Can. Malartic G. ..	2c	Dec. 20	Nov. 29
Cochenour W.	3c	Dec. 20	Dec. 1
Cockshutt Plow	25c	Dec. 18	Dec. 4
Do.	25c	June 18/42	June 4
Comm. Alcohols, p. ..	10c	Jan. 15	Dec. 31
Confed. Amuse, pfd. .	$4	Dec. 19	Nov. 29
Can. Cr. Stone	10c	Dec. 31	Dec. 15
Can. Malting	50c	Dec. 15	Nov. 29
Do., extra	50c	Dec. 15	Nov. 29
Confederation Life .	$1.50	Dec. 31	Dec. 25
Canada Bud	20c	Dec. 11	Dec. 5
Cons. Bakeries	15c	Jan. 2	Dec. 18
Can. Cottons	$1	Jan. 2	Dec. 1
Do., pref.	$1.50	Jan. 2	Dec. 1
Can. Canners	12½c	Jan. 2	Dec. 15
Do., 1st pref. ...	25c	Jan. 2	Dec. 15
Do., participating	5c	Jan. 2	Dec. 15
Do., 2nd pref. ...	15c	Jan. 2	Dec. 15
Do., participating	5c	Jan. 2	Dec. 15
Can. Converters ...	50c	Jan. 31	Dec. 31
Chartered Trusts ..	$1	Jan. 2	Dec. 15
Coniaurum Mines ..	4c	Dec. 20	Nov. 29
Cons. Smelters	50c	Dec. 31	Dec. 3
Do., bonus	75c	Dec. 31	Dec. 3
Celanese of Am., c.	†50c	Dec. 31	Dec. 19
Central Can. Loan..	$2	Jan. 2	Dec. 20
Canada Forgings, B	$1.50	Dec. 22	Dce. 8
Detroit Int. Bridge, c	†25c	Jan. 24	Jan. 3
Dunlop Tire	50c	Dec 20	Dec. 15
Do., pref.	62½c	Dec. 31	Dec. 15
David & Frere, A .	25c	Dec. 31	Dec. 15
Delnite Mines	3c	Dec. 30	Dec. 8
Distillers Seag., c.	55½c	Dec. 15	Nov. 29
Dom. Woollens, pfd. .	60c	Jan. 2	Dec. 15
Dom. Foundries, c.	25c	Jan. 2	Dec. 20
Do., extra	25c	Jan. 2	Dec. 20
Dome Mines	■50c	Jan. 20	Dec. 31
Dom. Glass	■$1.25	Jan. 2	Dec. 15
Do., pref.	■$1.75	Jan. 2	Dec. 15
Dom. Textiles	$1.25	Jan. 2	Dec. 1
Do., pref.	$1.75	Jan. 15	Dec. 15
Electrolux	†20c	Dec. 15	Nov. 15
Eng. Electric, A ...	62½c	Dec. 15	Nov. 29
Federated Pete.	1c	Dec. 30	Dec. 15
Famous Players ...	25c	Dec. 27	Dec. 13
Foundation Co.	25c	Jan. 20	Dec. 31
Do., extra	25c	Jan. 20	Dec. 31
Four Star Pete.	1c	Dec. 30	Dec. 15
Ford Motor, A, B ..	25c	Dec. 22	Dec. 1
Falconbridge N. ...	5c	Dec. 20	Nov. 14
Fanny Farmer ..	†37½c	Dec. 18	Dec. 4
Do., extra	†25c	Dec. 18	Dec. 4
Gould Pumps, pfd. .	†$2	Dec. 29	Dec. 18
Gatineau Pwr.	15c	Dec. 31	Dec. 1
Do., 5% pref. ...	$1.25	Jan. 1	Dec. 1
Do., 5½% pref. ..	$1.38	Jan. 1	Dec. 1
Gt. Lakes P. A, B, p	75c	Dec. 31	Dec. 20

Ask
.02¼
.05
.50
.04
.16
.01¼
.15
.02
.03
.06
1.00
4.25
.03
.18
.16
.05¼
.02¼
.01
.18
.10
.13
.06
.03¼
.02¼
.25

ed Bid Dec. 2

Ask	Yld. %
16.00	3.82
12.25	3.35
94.00	7.10
107.15	2.50
108.00	4.35
105.00	4.32
113.50	3.25
107.00	3.98
104.00	3.61

Bid	Asked
.20	2.41
.00	3.35
.00	4.75
.00	3.45
.10	6.06
.61	10.35
.45	

Dividends Declared (Cont'd)

Growers' Wine	5c	Dec. 15	Dec. 10
Goodyear Tire	63c	Jan. 2	Dec. 15
Do., extra	$2.50	Jan. 2	Dec. 15
Do., pref.	62½c	Jan. 2	Dec. 15
Gt.-West Life	$3.75	Jan. 2	Dec. 20
Hendershot Corr. P.	30c	Dec. 10	Nov. 27
Harding Carpets ...	10c	Jan. 2	Dec. 17
Do., extra	5c	Jan. 2	Dec. 17
Hart Battery	25c	Dec. 31	Nov. 29
Hard Rock G.	3c	Dec. 23	Dec. 9
Hinde & Dauch	25c	Dec. 20	Dec. 10
Hudson Bay M.	$1	Dec. 17	Nov. 28
Ham. Un. Theat., p.	$1.25	Dec. 31	Dec. 15
Huron & E. Mtg.	1%	Jan. 2	Dec. 15
Hamilton Cotton	50c	Jan. 2	Dec. 15
Do., arrears	$1.75	Jan. 2	Dec. 15
H. Smith Pap., pfd.	$1.50	Jan. 15	Dec. 31
Honey Dew	50c	Jan. 2	Dec. 13
Inter. Paper, pref.	†$1.25	Dec. 29	Dec. 19
Inter. Nickel, c. ..	†50c	Dec. 31	Dec. 1
Inter. Nickel, pref.	†$1.75	Feb. 2	Jan. 3
Inter. C. Baking ..	$1.50	Dec. 10	Dec. 2
Inter. Paints, pfd.	$1	Jan. 12	Dec. 12
Do., arrears	25c	Jan. 12	Dec. 12
Inter. Power, pfd.	$1.75	Jan. 2	Dec. 10
Do., arrears	$1.25	Dec. 29	Dec. 10
Island Mtn. M.	10c	Dec. 15	Nov. 28
Indust. Accept., A ..	25c	Dec. 31	Dec. 24
Do., pref.	$1.25	Dec. 31	Dec. 24
Imperial Tob., ord.	10c	Dec. 31	Dec. 5
Indust. Mtge. & Tr.	$1	Jan. 2	Dec. 15
Kerr Addison	8c	Dec. 29	Dec. 6
Kerr Lake M.	†5c	Dec. 17	Dec. 3
Loew's, Marcus, pf.	$1.75	Dec 31	Dec. 20
Do., arrears	$1.75	Dec. 31	Dec. 20
Lake Shore M.	35c	Dec. 15	Dec. 1
Landed Banking	$1	Jan. 2	Dec. 15
Langley's, pref.	■50c	Dec. 12	Dec. 3
Lang, J. A.	17½c	Jan. 2	Dec. 15
Lamaque Gold.	■10c+5c	Feb. 2	Jan. 9
Little Long Lac ...	10c	Dec. 20	Dec. 6
Louisiana Land ...	†10c	Dec. 15	Dec. 1
Levy Bros.	30c	Dec. 29	Dec. 19
Lava Cap Gold	†2c	Dec. 20	Dec. 5
McColl-Front., pfd.	$1.50	Jan. 15	Dec. 31
Moneta Porc.	2c	Jan. 15	Dec. 31
Magnet Cons. M. ..	5c	Dec. 22	Dec. 12
Monarch Life	6%	Jan. 2	Dec. 15
Modern Containers	20c	Jan. 2	Dec. 20
Do., extra	10c	Jan. 2	Dec. 20
Do., pref.	$1.37½	Jan. 2	Dec. 20
Malartic Goldfields	5c	Dec. 22	Nov. 29
Montreal Cottons ..	$1	Dec. 15	Nov. 29
Do., pref.	$1.75	Dec. 15	Nov. 29
Mtl. Loan & Mtge.	31¼c	Dec. 15	Nov. 30
Mitchell, Robt.	$1	Dec. 15	Dec. 1
McIntyre Porc., ex.	$1.11	Jan. 2	Nov. 1
McKen. R. Lake ..	3c	Dec. 15	Dec. 1
Melchers Dist., p. ..	30c	Dec. 15	Dec. 4
Mtl. Ref. & Stor., p.	$1.25	Dec. 16	Nov. 29
Macassa Mines	8c	Dec. 15	Nov. 29
Do., extra	3c	Dec. 15	Nov. 29
MacKinnon Stl., p.	$1.25	Jan. 3	Dec. 26
McManus Pete.	30c	Jan. 3	Dec. 26
Do., pref.	30c	Jan. 15	Dec. 31
McColl-Fron., pfd. .	$1.50	Jan. 15	Dec. 31
Moore Corp.	55½c	Jan. 2	Dec. 4
Do., bonus	66½c	Jan. 2	Dec. 4
Do., pref. A, B ..	$1.75	Jan. 2	Dec. 4
Nat. Breweries	50c	Jan. 2	Dec. 10
Do., pref.	43c	Jan. 2	Dec. 10
N. S. Light & Pr., o.	$1.50	Dec. 15	Dec. 1
Negus Mines	2½c	Jan. 2	Dec. 15
Nat. Grocers, pfd. .	38c	Jan. 15	Dec. 31
Nat. Steel Car	50c	Dec. 15	Nov. 20
Noranda Mines	$1	Dec. 11	Nov. 15
Nipissing Mines ...	■15c	Dec. 22	Dec. 10
North. Empire M. .	20c	Jan. 2	Dec. 10
North Star Oil, p. ..	8¾c	Jan. 2	Dec. 20
National Trust	$2	Dec. 20	Dec. 6
Neon Prod. W. Can. c	30c	Jan. 2	Dec. 15
Ontario Loan	$1.25	Jan. 2	Dec. 15
Ottawa Elec. Rly. ..	30c	Jan. 2	Dec. 15
Do., extra	50c	Jan. 2	Nov. 25
Ottawa L. & Pr. ..	15c	Jan. 2	Nov. 25
Do., pref.	$1.25	Feb. 2	Dec. 31
Power Corp.	■15c	Jan. 15	Dec. 31
Do., pref.	■$1.50	Jan. 15	Dec. 31
Do., 2nd pref.	■75c	Jan. 2	Dec. 20
Price Bros., pfd. .	$1.37½	Jan. 2	Dec. 15
Page-Hersey	$1.25	Dec. 31	Dec. 15
Pickle Crow	10c	Dec. 23	Dec. 5
Placer Dev.	60c	Dec. 30	Dec. 16
Proprietary Mines	8c	Dec. 20	Dec. 1
Perron Gold	■4c	Dec. 20	Dec. 1
Do., extra	■6c	Jan. 2	Nov. 29
Pioneer Gold	10c	Jan. 15	Dec. 31
Preston E. Dome ..	5c	Dec. 15	Nov. 29
Paton Mfg.	50c	Dec. 15	Nov. 29
Do., pref.	$1.75	Dec. 27	Dec. 11
Para. Pictures	†25c	Dec. 27	Dec. 12
Do., 1st pref.	†$1.50	Dec. 27	Dec. 12
Do., 2nd pref. ...	†15c	Jan. 15	Dec. 15
Premier Gold	2c	Dec. 15	Dec 1
Quebec Gold	2c	Dec. 15	Nov. 30
Reliance Grain, p.	$1.62½	Dec. 15	Nov. 30
Do., arrears ...	$1.62½	Jan. 2	Dec. 10
Remington Rand ...	†25c	Jan. 2	Dec. 10
Do., pref.	†$1.12½	Jan. 2	Dec. 17
Real Est. Loan	$1	Jan. 2	Dec. 15
Robin. J. & Whit. p.	$3	Dec. 26	Dec. 10
Russell Indust.	20c	Dec. 26	Dec. 10
Do., pref.	$1.75	Jan. 2	Dec. 13
R. S. Mills, A	50c	Jan. 2	Dec. 12
Supertest Pet. c. ord.	50c	Jan. 2	Dec. 12
Do., extra	25c	Jan. 2	Dec. 12
Do., B pref.	75c	Jan. 2	Dec. 12
Sheep Creek Gold .	4c	Jan. 15	Dec. 31
Do., extra	1c	Jan. 15	Dec. 31
Sigma Mines	30c	Jan. 15	Dec. 31
Simon & Sons	15c	Dec. 20	Dec. 6
Do., pref.	$1.75	Dec. 20	Dec. 6
St. Law. Corp., A p.	■25c	Jan. 15	Jan. 2
Do., arrears	■$1	Dec. 22	Dec. 10
South Can. Pwr. ...	20c	Feb. 16	Jan. 31
Do., pref.	$1.50	Jan. 15	Dec. 20
Sovereign Life	5%	Dec. 15	Dec. 1
St. Law. Paper, pfd.	■75c	Jan. 15	Jan. 2
Do., arrears	■$1.50	Dec. 22	Dec. 10
Securities Hold., pf.	65c	Jan. 2	Dec. 19
Shawinigan W.	22c	Nov. 25	Oct. 24
Sherritt Gordon	5c	Dec. 15	Oct. 31
Stedman Bros.	15c	Jan. 2	Dec. 20
Do., pref.	75c	Jan. 2	Dec. 20
Sun Life Assur. ...	$3.75	Jan. 1	Dec. 16
Supersilk Hos., pfd.	$2.50	Jan. 2	Dec. 12
Siscoe Gold	2c	Dec. 15	Nov. 15
Sylvanite Gold ...	7c	Dec. 27	Nov. 8
Sher. Williams, pf.	$1.75	Jan. 2	Dec. 15
Sudbury Basin M. ..	2½c	Dec. 30	Dec. 15
Thayers, pref.	$3.50	Jan. 1	Dec. 20
Tor. Gen. Trusts	$1	Jan. 2	Dec. 13
Trans Can. Shs. A .	0.239	Dec. 1	Coup. 17
Teck-Hughes	■10c	Feb. 2	Jan 9
Toronto Mortgage .	$1.25	Jan. 2	Dec. 15
Tamblyn	20c	Jan. 2	Dec. 15
Do., pref.	62½c	Jan. 2	Dec. 12
Tombill Gold	5c	Dec. 22	Dec. 12
Un. Gold Eq., st. c.	6c	Dec. 30	Dec. 19
Un. Bond & Share	15c	Jan. 15/42	Dec. 30
United Fuel, p. A ..	75c	Jan. 2	Dec. 20
Union Gas	20c	Dec. 15	Nov. 20
Upper Can. Mines ...	3c	Dec. 10	Nov. 20
United Corp., B ...	•25c	Dec. 22	Dec. 1
Ventures	■10c	Dec. 30	Dec. 10
Viau, pref.	$1.25	Jan. 2	Dec. 20
Vulcan Br. Pet. ..	2c	Dec. 30	Dec. 15
West Koot. Pr., pfd.	$1.75	Dec. 31	Dec. 15
West. Grocers	75c	Jan. 15	Dec. 20
Do., pref.	$1.75	Jan. 15	Dec. 20
Weston, Geo., c. ..	20c	Jan. 2	Dec. 12
Wilsils	25c	Jan. 2	Dec. 15
Waite Amulet M. ..	20c	Dec. 10	Nov. 15
Walker-Good.	$1	Dec. 15	Nov. 21
Do., pref.	25c	Dec. 15	Nov. 21
Wr.-Hargreaves ...	10c	Jan. 2	Nov. 26
Do., extra	5c	Jan. 2	Nov. 26

†Payable in U. S. funds.
■Subject to approval of Foreign Exchange Control Board. •Initial.
‡Payable in new 5% pref. stock, in ratio of 1 pref. sh. for each 8 sh. A or B. Fractions to be paid in cash.

NOTICES

The Bank of Toronto

ANNUAL MEETING

The Annual Meeting of the shareholders will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the Twenty-first day of January, 1942, the chair to be taken at noon.

F. H. MARSH,
General Manager.

DIVIDEND NOTICES

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the one hundred and twenty-second quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending November 30, 1941, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 15th day of December, 1941, and that cheques will be mailed January 2, 1942. Books not closed.

By Order of the Board,
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec.
November 17, 1941.

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference shares 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

Payable January 15th, 1942, to shareholders of record December 20th, 1941.

By Order of the Board.

W. P. RILEY,
President.

Sun Life Assurance Company of Canada

Head Office : Montreal
Stock Transfer Department

Notice is hereby given that a dividend of three dollars seventy-five cents ($3.75) per share on the capital stock of the Company has been declared for the quarter ending December 31st, 1941, and will be paid on January 1st, 1942, to shareholders of record at the close of business December 16th, 1941. The stock transfer books of the Company will be closed from December 17th to December 31st, both dates inclusive, for the preparation of the above dividend.

By Order of the Board,
F. J. CUNNINGHAM,
Secretary.

DIVIDEND CHARTERED TRUST AND EXECUTOR COMPANY

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending December 31st, 1941, payable January 2nd, 1942, to shareholders of record at the close of business December 15th, 1941.

By Order of the Board.
E. W. McNEILL,
Secretary.

Dated at Toronto,
November 20th, 1941.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 54

NOTICE is hereby given that a dividend of Fifty cents (50c) per Share on Class "A" Shares has been declared for the three months ending December 31st, 1941, payable by cheque dated January 15th, 1942, to shareholders as of record at the close of business on December 31st, 1941: such cheques will be mailed on January 13th, 1942, by the Montreal Trust Company from Vancouver.

By Order of the Board,
J. A. BRICE,
Assistant Secretary

Vancouver, B.C.
December 5th, 1941.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Stock Dividend No. 56.

NOTICE IS HEREBY GIVEN that a dividend of $1.50 per share being at the rate of 6 per cent. per annum has been declared on the 6 per cent. cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending December 31st, 1941, payable January 15th, 1942, to shareholders of record at the close of business December 31st, 1941.

By Order of the Board.
FRED HUNT,
Secretary.

November 26th, 1941.

UNDER THE MANAGEMENT OF **POWER CORPORATION OF CANADA LIMITED**

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividends:

7% Cumulative Preferred Stock

No. 68 quarterly, $1.75 per share, payable January 15th, 1942.

No par value Common Stock

No. 50, quarterly 15c. per share, payable January 26th, 1942.

to holders of record at the close of business December 31st, 1941.

L. C. HASKELL, F.C.I.S.,
Secretary.

November 25th, 1941.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice of Dividend No. 23

Notice is hereby given that a Quarterly Dividend of four cents per share, and a special bonus of one cent per share, have been declared on the paid-up Capital Stock of the Company, payable on the 15th day of January, 1942, to shareholders of record at the close of business on the 31st day of December, 1941.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 31st December, next.

By Order of the Board,
JAMES ANDERSON,
Secretary.

Vancouver, B.C.,
December 3, 1941.

DIVIDEND NOTICES

"SUPERTEST" Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"B" PREFERRED

A half-yearly dividend at the rate of 6% per annum on the Class "B" Preferred stock of this Corporation for the half-year ending December 31, 1941, has been declared payable January 2, 1942, to shareholders on record at the close of business December 12th, 1941.

COMMON AND ORDINARY

The Board of Directors has declared a half-yearly dividend of 50c per share and an extra dividend of 25c per share on the Common and Ordinary stocks of this Corporation for the half-year ending December 31, 1941; payable January 2, 1942, to shareholders on record at the close of business December 12, 1941.

SHARE WARRANTS

Share Warrant holders will present coupons, serial number 44, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after January 2, 1942, where payment will be made at par.

By Order of the Board.
JAMES D. GOOD,
Secretary-Treasurer.

London, Ontario, December 6, 1941.

The Canadian Light and Power Company

NOTICE is hereby given that a dividend of one-half of one per cent (½ of 1%) has been declared on the outstanding shares of the Company for the half year ending December 31, 1941, payable January 15, 1942, to shareholders of record December 26, 1941.

By Order of the Board,
H. G. BUDDEN,
Secretary.

Montreal, December 8, 1941.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd January, 1942,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

4th December, 1941.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the fourth quarter ending December 31, 1941. The above dividend is payable in Canadian funds, January 2nd, 1942, to shareholders of record at the close of business on the 8th day of December, 1941.

H. H. BRONSDON,
Secretary.

Dated at Toronto, December 3rd, 1941.

Canadian Car & Foundry Company Limited

DIVIDEND NOTICE— PREFERENCE STOCK

Notice is hereby given that a dividend of forty-four cents (44c) per share on the paid up Preference Stock of the Company for the quarter ending December 31st, 1941, has been declared, payable on the 10th day of January, 1942, to Shareholders of record on the 20th day of December, 1941.

By Order of the Board,
A. C. BOURNE,
Secretary.

Montreal, December 8th, 1941.

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared this day the following dividends:

6% Cumulative Participating Preferred Stock

No. 88, quarterly, $1.50 per share, payable January 15th, 1942, to holders of record at the close of business December 20th, 1941.

No Par Value Common Stock

No. 67, quarterly, 20c. per share, payable February 16th, 1942, to holders of record at the close of business January 31st, 1942.

L. C. HASKELL, F.C.I.S.,
Secretary.

Montreal, November 28th, 1941.

DIVIDEND NOTICE

International Paints (Canada) Limited

The regular dividend of 5% for the twelve months ended September 30th, 1941, and an additional dividend on account of arrears of 1¼% or 25 cents per share, have been declared on the new 5% Cumulative Participating Preferred Stock of the Company, payable on January 12th, 1942, to shareholders of record at the close of business on December 12th, 1941.

By Order of the Board,
D. R. W. McKEAN,
Secretary-Treasurer.

Montreal, December 1st, 1941.

Acme Glove Works Limited

DIVIDEND NOTICE

A dividend of Three and One Quarter Per Cent (3¼%) has been declared upon the 6½% Cumulative Preferred Shares of Capital Stock of this Company, to be paid on the second day of January, 1942, to shareholders of record at the close of business on December 18th, 1941.

By Order of the Board,
C. H. DAWSON,
Secretary.

Montreal,
December 3rd, 1941.

Moneta Porcupine Mines Limited

(No Personal Liability)

DIVIDEND No. 14

NOTICE is hereby given that a dividend of two cents per share has been declared by the Directors of Moneta Porcupine Mines Limited (No Personal Liability) payable in Canadian funds on January 15th, 1942, to Shareholders of record December 31st, 1941.

By order of the Board.
H. B. CLEARIHUE,
Secretary-Treasurer.

Toronto, Ontario, Dec. 9th, 1941.

Week in Wheat

Jap War Has Little Effect on Wheat

Early Spurt Gets Impetus From U. S. – Canadian Visible Wheat Supply Holds Steady With Milling Demand Good

From Our Own Correspondent

WINNIPEG.—The wheat market at Winnipeg showed, by minor changes, some reaction to the effects on the Chicago wheat market of the outbreak of war between Japan and United States. At Chicago, all grain prices moved sharply upwards on Monday, and the advance of 5 cents per bushel registered was the limit of fluctuations allowed under market regulations. These advances were not fully held the following day, possibly owing to realization that the Japanese war was likely to be both serious and prolonged, and also that it was only part of the greater war with Nazi Germany. In addition, anxiety of purchasers to acquire wheat was limited by a feeling that price regulations in the United States were becoming more probable, more particularly as by government request, advance in wheat prices was forbidden for one day only, beyond the level reached in Monday's trading.

U. S. Hedging

Some purchasing strength from the United States was immediately felt in the Winnipeg market. To some extent this development was due to a feeling that the economies of Canada and the United States might be more closely integrated, with possibly a wiping out of the difference in exchange value between the Canadian and the American dollar, and possibly some common policy between the two countries with respect to the price of wheat.

Perhaps of more immediate importance was the action attributed to some American mills, said to have transferred a part of their hedging purchases from the Chicago to the Winnipeg market in view of the difficulty in effecting transactions at Chicago. Price gains effected Monday tended to be wiped out the following day, possibly because some of these hedging transactions were reversed, and transferred to the Chicago market, which was then able to handle all trades offered.

United States winter wheat crop estimated, indicating a crop somewhat smaller than that of last year, but still a large one, could not be construed as bullish. Bearish was the indication that the Pacific route would be closed for some considerable time so far as shipments of North American wheat to Russia are concerned. But observers saw prospects of a reduction in American agricultural production with the absorption of men into the armed forces and the factories of the United States, and steadily increasing domestic consumption as the level of employment rises. Agricultural surpluses begin to look smaller in view of the probable heavy drain on them from war-exhausted countries whenever the war is over.

* * *

Visible Supply Steady

Although the visible supply of Canadian wheat passed the 500 million bushel mark some time ago, it has risen only slightly and slowly above that level. Milling demand, both for domestic use, and to some extent also for export, has been heavy. While overseas shipments recorded have been only moderately large, they have been sufficient, with the milling demand, almost to balance the weekly receipts of new wheat from farms. Some low grade wheat is moving out of the visible supply into feeding operations in eastern Canada. The concession made by the government to encourage the feed use of western grain, by paying the freight cost east of Port Arthur applies to wheat as well as to coarse grains, when wheat is actually used for feeding purposes. Some all-rail movement of wheat to eastern Canada has already commenced, and there are expectations that it will continue throughout the winter.

NEW GEN'L COUNSEL

Appointment of Cecil Lamont as successor to L. W. Brockington, K.C., was announced following a meeting of the directors of North-West Line Elevators Association. Mr. Brockington held the post of general counsel of the association until his departure for Ottawa on leave of absence two years ago to act as adviser to the War Committee of the Dominion cabinet.

Flour Output Trend Reversed

Sharp Drop in October Exports Pulls Down Production

From Our Own Correspondent

MONTREAL.—Flour production in Canada recorded a relatively sharp decline in October. According to the Dominion Bureau of Statistics, production totalled 1,595,931 bbls. This compares with 1,647,910 bbls. during the preceding months and with 1,872,514 bbls. in Oct., 1940. The 10-year average for the month of October is 1,774,018 bbls.

The drop in production is attributed to the relatively high and contraseasonal activities during the spring and summer months. Flour output during the first 10 months of the current calendar year was substantially ahead of both the 1940 period and the like part of 1939.

Output in the first 10 months this year was 17,229,805 bbls., compared with 13,590,361 in the like period of 1940.

Export Trade Declines

The drop was further explained by the fact that exports of flour during October totalled 441,067 bbls., which was sharply below the preceding month's exports of 661,014 bbls. and the year ago comparison of 750,193 bbls.

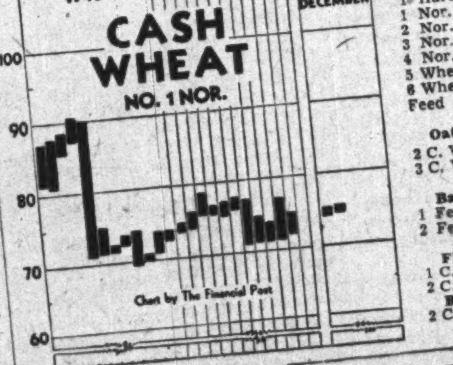
Comparative figures on monthly production of flour follow:

	1941 Bbls.	1940 Bbls.	1939 Bbls.
Dec.	....	1,076,132	1,559,996
Nov.	....	1,588,428	1,960,429
Oct.	1,595,931	1,872,514	2,089,562
Sept.	1,647,910	1,635,489	1,927,102
Aug.	1,852,139	1,291,451	1,382,152
July	2,116,896	1,122,975	1,105,502
June	2,117,976	1,170,238	1,187,875
May	2,121,397	1,282,906	1,191,778
April	1,661,000	1,344,293	1,113,603
March	1,477,000	1,257,034	1,193,717
Feb.	1,462,187	1,246,798	1,037,468
Jan.	1,177,369	1,266,303	1,097,822
9 Months ...	17,229,805	13,590,361	13,366,645
12 Months ..	....	16,254,921	16,887,070

Algoma Central Plan Gains Approval

Unanimous approval for the financial rearrangement plan of Algoma Central & Hudson Bay Railway and Algoma Central Terminals Ltd. was voted at the postponed special meeting held Dec. 8. Nearly 50% of the outstanding bonds are stated to have been represented at the meeting, an increase from approximately 34% represented at the original meeting.

Wheat Prices



Cash Quotations

Wheat:	For Week High Dec. 8	For Week Low	High Prev.	Low Week
1 Hard .	.75⅜	.74½	.75⅛	.74¾
1 Nor. ..	.75⅜	.74½	.75⅛	.74⅜
2 Nor. ..	.72¾	.71⅛	.71⅞	.71⅛
3 Nor. ..	.69⅜	.68⅝	.69½	.68¾
4 Nor. ..	.68	.67¼	.68⅝	.67⅞
5 Wheat .	.65¾	.65	.65⅞	.65⅛
6 Wheat .	.64¼	.63½	.64⅜	.63⅝
Feed	.60¼	.59½	.59⅞	.59⅛
Oats:				
2 C. W. ..	.45⅞	.44⅞	.45⅜	.44⅛
3 C. W. ..	.43½	.42⅛	.42⅝	.41⅜
Barley:				
1 Feed ..	.56⅞	.55⅛	.55¾	.54
2 Feed ..	.56⅛	.54⅞	.54⅝	.53
Flax:				
1 C. W. ..	1.54	1.50⅜	1.52⅝	1.49¾
2 C. W. ..	1.50¼	1.46⅞	1.48⅝	1.45¾
Rye:				
2 C. W. ..	.59⅜	.58½	.58⅜	.57⅜

Winnipeg Grain Futures

Week to Dec. 8, 1941

Crop year from Aug. 1, 1941 High	Crop year from Aug. 1, 1941 Low		Open Dec. 8	High for week	Low for week	Close Dec. 8	Close year ago
		Wheat					
.79	.72½	Dec.	.75	.75¾	.74½	.75⅛	.74
.82¾	.76¼	May	.78½	.79½	.78	.78¾	.77⅞
.80⅞	.77⅝	July	.79⅞	.80⅜	.79⅛	.80	.79⅛
		Oats					
.48½	.35⅛	Dec.	.45	.45¾	.44⅝	.45⅝	.33⅛
.47⅞	.38⅛	May	.46¼	.46¾	.45¾	.46½	.32¼
.45⅞	.43⅛	July	.45⅝	.45⅝	.45	.45¾	.30⅞
		Barley					
.61⅝	.46¼	Dec.	.59⅝	.61⅛	.59¼	.60	.43⅝
.62	.49⅝	May	.60⅝	.62	.60⅝	.61	.44⅜
.61	.55⅛	July	.59⅝	.61	.59¾	.60¼	.42⅝
		Flax					
1.63	1.40½	Dec.	1.52¾	1.54¼	1.50⅛	1.54	1.30
1.64½	1.40¼	May	1.57	1.58⅛	1.53	1.57⅛	1.34½
1.58½	1.48	July	1.57⅛	1.58⅛	1.55⅝	1.58⅛	1.3[illegible]¾
		Rye					
.66	.50¾	Dec.	.59	.60⅝	.55½	.59⅝	.45⅞
.67⅝	.51¼	May	.62⅜	.64⅛	.61½	.62⅝	.49½
.64	.60⅝	July	.62⅝	.64	.62⅜	.63⅛	.49⅝

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Week in Mining

U. S. Metal Supply Lags Canada May Be Answer

Far East Situation Brings to Fore Urgent United States Need For Further Sources of Certain Strategic War Minerals

So serious has the metal shortage in the United States become that a United States Senate investigating committee this week started looking into copper, lead and zinc prices, production, costs and prospects for greater output. Canada—as one of the largest democratic producers of each of these metals—may possibly be turned to again in an effort to break the metals' bottleneck. Under the Hyde Park agreement, it will be recalled that Canada is already endeavoring to relieve the U. S. metals' shortage.

A new survey of the present United States situation has been made by the Office of Production Management. It reveals a wide divergence between anticipated requirements and supply in 1942 for some major metals.

Copper demand in the United States in 1942 is estimated at 2,570,000 tons compared with U. S. domestic supply of 1,800,000 tons. Lead demand is estimated at 1,080,000 tons compared with supply of 1,100,000 tons. Zinc requirements are placed at 1,465,000 tons against estimated supply of 975,000 tons, revealing the very tight situation for this metal.

Nickel Adequate

As far as nickel is concerned, supply is expected to be adequate. It is estimated 208,350,000 lbs. of nickel will be made available in 1942 to take care of requirements of 204,600,000 lbs. U. S. aluminum production for 1942 is estimated at 800 million lbs., insufficient for requirements although needs are not detailed.

For some of the above metals, the situation is somewhat more serious than figures would indicate. "Requirements" cover little more than defense needs. Some metal is always necessary for peacetime uses.

In recent months, there has been a growing tendency to look outside the United States for greater metal production. This was evidenced in the Hyde Park agreement and agreements with South American metal producers.

* * *

Open Mines Here?

The latest idea in the United States is that it might be better to develop new mines outside the United States—in places such as Canada—rather than to place in operation in the United States, mines that would ordinarily be considered highly uneconomic.

Besides base metals, it seems likely the United States may soon be seeking strategic minerals on a much wider scale. The Far Eastern situation will inevitably cut into supplies of such things as tin, tungsten and manganese. The U. S. government has already been financing exploration of deposits of strategic minerals at home and with the need for metals greater than ever, it is logical to expect that "war metals" deposits will be sought outside the United States. So far the tendency has been to contract for available war metal supplies. But new sources of metal are needed and the U. S. Government may have to start looking at undeveloped deposits wherever they may happen to be accessible.

Stock piles of some essential metals may be sufficient for one or two years and during that time other sources of supply will have to be opened or United States industry may be crippled.

* * *

Siscoe's Expansion

Effects of expansion are now being felt at Siscoe Gold Mines with capacity now 1,000 tons daily compared with 650 tons a few months ago. Operating costs of $4 a ton are being realized treating something over 25,000 tons of ore a month and it is believed costs will be reduced further to $3.50 a ton when a somewhat higher rate is achieved early in 1942.

Satisfactory progress is reported in stoping operations along the "Main" ore bodies in old stopes. Diamond drill stoping is being employed in "slicing" down the walls. Broken ore reserves have been built up to 160,000 tons.

Siscoe is pursuing an aggressive search for new ore bodies. Entry into the financing of Buffonta Mines was announced this week and it is understood that negotiations for financing another property are in an advanced stage. Working capital approaching $1.5 million means adequate funds for any development programme undertaken.

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Stadac'a Notes Held to be Valid

Royal Bank Claim Upheld; Notes Security For a Loan

From Our Own Correspondent

MONTREAL.—Claim of the Royal Bank of Canada against Stadacona Rouyn Mines Ltd., in liquidation, and George Duclos, liquidator, is being upheld by the court. This is the first court ruling on validity of notes of Stadacona Rouyn Mines, many of which were issued in excess of the amount authorized.

The Royal Bank is holder of $35,000 of 8% notes issued in the name of the company in liquidation and payable to E. F. Gilmore and E. A. Headmanak, who endorsed the notes in blank.

Question At Issue

The question the court had to decide was whether or not the notes constituted a valid claim in view of the way they were issued and the fact the company in liquidation did not receive any consideration therefor.

The court decided the notes were valid and declared the claim of the Royal Bank was proved; but as the bank had taken the notes as collateral the court held that it could not collect more than was actually owing to it in the instance. Therefore, the court ordered payment should be allocated on the dividend sheet for $2,000 and interest due at the time of the winding-up order.

Sullivan Boosts Ore Reserves

From Our Own Correspondent

VAL D'OR.—A substantial increase in ore reserves will be shown by Sullivan Consolidated Gold Mines at the end of 1941 as a result of favorable ore disclosures during the year, The Financial Post is informed.

Probable ore at the end of this year is expected to total over 550,000 tons of $11.50 grade as against 407,000 tons of $9.80 grade at the beginning of the year.

Mill At 475 Tons

With mine development returning fine new ore, mill capacity was stepped up to 475 tons in the latter part of the year and milling rate may be further lifted to 500 tons early in 1942.

Operating profits for the first nine months of 1941 total $568,776.

Net profit was $364,258 or 9.1 cents a share for the nine months.

No. 2 inclined shaft has been deepened to open the 12th and 13th levels, and crosscutting to the "A" and No. 4 ore zones is under way. Consideration is to be given next year to opening three further levels.

Development Ore Rich

In recent months, drift advance on the No. 4 ore structures on the 7th, 8th and 9th levels to the north of the No. 2 shaft has opened up long extensions of lenticular ore bodies. Grade is above mine average. A sharp upturn in mill heads in the third quarter is due to ore from development headings, chiefly from the 7th level.

Total ore lengths so far on the three levels are as follows: 7th level, 255 ft.; 8th level, 448 ft.; 9th level, 228 ft. Widths vary from 4 to 7.5 ft. with average grade above $10.50 per ton at $35 gold.

Lateral development on the 9th level to the northwest section of the mine is proceeding. Important drilling intersections have been secured from the 5th to the 9th level. Diamond drilling to depth from the 11th level on the "A" ore system has also returned important intersections. Two high grade ore bodies have been indicated at vertical depth of 300 to 350 ft.

Quarterly production and operating profits are as follows:

Quarter ended:	Tons milled	Total recov.	Oper. profit
Mar. 31, 1941 .	30,577	$316,141	$116,546
June 30, 1941 .	31,676	312,485	101,089
Sept. 30, 1941 .	31,217	341,548	139,202
Total	93,470	970,174	356,837

No Break Yet In Deadlock At Kirkland

Prime Minister Turns Down Bid For Mediation —C.I.O. Calls Meet

Deadlock continues in the Kirkland Lake strike situation with no signs yet of any weakening on either the part of the C.I.O. affiliate, the Kirkland Lake Mine and Mill Workers' Union or the mine operators.

Although Prime Minister King rejected the striking miners' appeal for intervention, plans were advanced by the union for a "National Committee" meeting in Ottawa on Saturday, Dec. 13. Officials of the Kirkland Lake Mine and Mill Workers' Union and heads of other C.I.O. affiliates in Canada are to meet and consider Mr. King's reply, it is stated.

Attitude Unchanged

No change has taken place in the mine operators' attitude toward the striking miners. With more men returning to work each day, there has been no inclination to negotiate any kind of settlement. Kirkland Lake, the last of the closed mines, reopened about a week ago and is now operating near capacity. Although only 25-30% of the miners are back at work at mines affected by the strike, average production is much higher than this level with further improvement being noted day by day.

Ottawa Intervention Unlikely

Little possibility is now seen of any Ottawa intervention in the Kirkland Lake strike situation following the answer to Prime Minister King's telegram. Ottawa intervention had been one of the possibilities strongly stressed by union organizers in Kirkland Lake.

Text of Mr. King's telegram is as follows:

"Since the receipt of the telegram of Nov. 29, sent on behalf of Local 240, Mine and Mill Workers' Union, I have discussed with the Minister of Labor and other of my colleagues in the Government whether intervention on my part in the existing dispute at Kirkland Lake could be of service to the parties in the dispute.

"In view of the steps already taken by the Department of Labor to avoid the strike which has arisen and to effect a settlement by conciliatory means I have, after carefully considering all representations, come to the conclusion that without mutual agreement by the parties to the dispute further intervention by the government could be of little avail at the present time by way of settling existing differences.

"I deeply appreciate your understanding of some of the circumstances which have made it very difficult for me to give to the Kirkland Lake dispute since it arose the personal attention which I wish it might have been possible for me to give."

Men Flowing Back

During last week, 108 miners returned to work, an average of 15 a day. Monday of this week a further 19 returned to their jobs, bringing to 1,226 the number actually at work. This figure is exclusive of office staffs, assayers, foremen, etc., who total several hundreds.

Theoretically, this leaves approximately 2,800 men out on strike. A number of these actually have left for other jobs—either temporary or permanent—while others have joined the armed forces since the strike started. Size of strike relief vouchers is reported to have caused dissatisfaction in some quarters but union officials claim no knowledge of this.

Businessmen say that grocery and food turnover in Kirkland Lake has dropped 20 to 25% due to strike conditions while Christmas business has been cut approximately in half.

Reports of intimidation are still emanating from Kirkland Lake although a large force of provincial police is at present co-operating with the Kirkland Lake police force.

La Luz Step-up Slowed by War

Increased Tonnage Not Now Expected Before End of 1942

With the war causing serious delays in delivery of equipment and supplies, La Luz Mines will not be able to complete its expansion before the spring of 1942, M. B. Huston, managing director states. With more stripping required than originally estimated, it is not expected there will be any material increase in tonnage milled until the end of 1942.

Estimated net profit for the third quarter of 1941 was slightly lower at $253,745 compared with $271,563 for the second quarter but was higher than the $237,144 of the first quarter. Capital expenditures in the third quarter were $170,500, somewhat down from the $218,389 of the preceding quarter.

Output Makes Records

Both value of production and tonnage of ore milled constituted new records in the third quarter. A total of $676,467 was recovered from 98,324 tons of ore milled, an average of $6.88 a ton. In the preceding quarter—the previous record for production—output of $654,975 was secured from 96,229 tons of ore, an average of $6.81 a ton.

Construction of the La Luz Yy River hydro-electric plant and transmission line has been held up by excessive rainfall in addition to other factors. However, all necessary equipment is now on hand, and work is expected to proceed with increased speed during the dry season. It is hoped that this project will be completed by June, 1942. With electrical power available from this plant there should be a material saving in costs, since the operation of the present Diesel electric plant requires expenditures of over $20,000 per month.

All figures on earnings and production are in U. S. dollars.

Tin Supply Threatened By War With the Japs

With two thirds of the democratic world's supply of tin coming from the Far East—the Malay States, Netherland Indies and Thailand—the war with Japan threatens to interfere seriously with the regular supply of this metal, used chiefly for the peacetime canning industry.

Even if none of the Japanese invasion attempts on these countries proves successful, it appears likely that the war will still interfere with production of the metal. Preparations for defense at Singapore were adversely affecting production even back in 1940.

Supplies May Be Rerouted

If the United States establishes supremacy of the seas, it probably will be necessary to establish convoys to bring tin supplies through from the east and this will undoubtedly mean delay. It may be found more expedient to bring all supplies to America via the Cape of Good Hope rather than the Pacific.

The Malay States are the largest single source of tin in the world, turning out around 85,000 tons a year of an estimated total annual world output in the neighborhood of 230,000 tons. The Netherland Indies, close to the Malay States, is the second largest source of tin, turning out about 45,000 tons of tin a year. Thailand has a smaller but important production of the metal.

Bolivia Big Producer

Fortunately America has a considerable production of tin. Output in Bolivia—the chief source—was stepped up to around 40,000 tons in 1940, compared with a pre-war level of about 25,000 tons. With the spread of the war to the Far East, it is to be expected that efforts to increase production in Bolivia and other countries of North and South America will be intensified. Bolivian output is larger this year. Production in the United States at 44 tons in 1940 was purely nominal, but Consolidated Smelters in Canada is preparing to turn out tin at the rate of 500 tons a year. This amounts to about a seventh of the Canadian requirements of 3,500 tons a year. The United States in an ordinary year uses 75,000 tons.

U. S. Has Year's Tin Plus

Possibility that supplies of tin might be cut off was realized in the United States in 1939 when the government took steps to stock-pile the metal against the day when war would actually break. At the end of 1940 the government had 21,149 tons of the metal on hand, while 45,500 tons of virgin tin were in hands of consumers. Secondary tin on hand was about 1,500 tons. Altogether, this was equivalent to almost a year's supply for the United States. On July 1, 1940, the United States had completed a contract for 75,000 tons of tin and it is understood that today there is well over a year's supply of tin on hand in the United States.

In addition to production from this hemisphere and any production to be secured from the Far East and Africa, there is still one other source of tin. That is secondary metal. Although recovery of tin by detinning plants is not usually practicable, about 25,000 tons of secondary tin a year is at present being recovered in the United States or about a third of the amount consumed. Production of secondary metal, of course, is largely dependent on widespread continued use of the metal in industry.

Supplies of tin on hand in Canada have not been revealed, but the possibility of a shortage of certain minerals has been prepared for by the Metals Controller. Output of Consolidated Smelters will be a help to Canada and stepping up this output may be considered.

Week in Oils

Record 1941 Output

From Our Own Correspondent

CALGARY.—Setting a new all-time record, Alberta's oil industry is expected to produce about 9.9 million bbls. of crude oil and natural gasoline for a return of some $13.8 millions for the year 1941, according to an estimate by The Financial Post this week. The figures are based upon estimates for the months of November and December, for which exact figures are not yet available.

So far, official figures have been reported for the first 10 months of the year. They disclose a very substantial gain for the industry over the previous record set in 1940.

An increase in value of $2,714,741, and an increase in barrels produced of 1,289,299. That's the record of the Alberta oil industry for the first 10 months of 1941 as compared with the same period of 1940, based on the detailed report for October issued by the Conservation Board this week.

* * *

October Results Up

Alberta's crude oil and natural gasoline production during October totalled 853,600 bbls. compared with 799,025 bbls. in Oct., 1940. The return from sales of oil and natural gasoline amounted to $1,304,999, compared with $1,011,969 in October of last year.

For the first 10 months of 1941, Alberta's production totalled 8,192,811 bbls., with the return from sales reaching $11,168,776. During the same period in 1940, production totalled 6,903,512 bbls., while revenue from sales totalled only $8,454,035. The increases in Turner Valley crude oil and natural gasoline prices effected last July are clearly reflected in the large gain in revenue.

* * *

Results For 10 Months

Following is a Summary of Production and Returns for the first 10 months of 1941:

Month:	Bbls.	Value
January	782,353	$993,827
February	722,631	922,217
March	834,241	1,063,125
April	806,865	1,023,351
May	827,102	1,042,364
June	802,323	995,925
July	853,915	1,220,134
August	853,563	1,301,225
September	855,778	1,301,608
October	853,600	1,304,999

Following is a breakdown of Oct., 1941, production:

Field:	Bbls.
Turner Valley:	
Limestone crude oilwells	816,839
Limestone zone, naphtha	1,825
Shallow crude oilwells	495
Absorp. plant nat. gasoline	25,248
Total Turner Valley	844,407
Del Bonita: Terminal No. 1 well	75
Princess Field: Standard of B. C. No. 2 well	3,109
Red Coulee Field: 7 Vanalta wells	991
Taber Field: Plains Pete. No. 2 well	460
Twin River Field	1,092
Vermilion Field:	
Conestoga No. 1 well	620
Vermilion-Consol. No. 2 well	630
Vermilata-Frankview No. 2 well	132
Western Battleview No. 1 well	782
Wainwright:	
Bethwain No. 1 well	75
Waincon No. 1 well	287
Sasko-Wainwright No. 1 well	289
Wainwright Pete. No. 1 well	81
Hargal No. 3B well	570
Total Alberta production	853,600

* * *

Major 3 Largest

Major Oil Investments No. 3, most northerly test yet completed in Turner Valley has been given official recognition as the largest producer in the field. The Conservation Board announces that, on the basis of the recently completed productivity test, the "temporary allotment" of 900 bbls. per day assigned the well in the December schedule has been replaced with an allotment of 1,165 bbls. per day. Retroactive allotment for November has been set at 1,192 bbls. (On test, the well produced just over 43,000 bbls in November. Production in excess of the retroactive allotment will be made up in coming months). The second ranking well to Major No. 3 is Major Oil Investments No. 2, second most northerly producer in the field, with a quota of 900 bbls. per day for December.

The Board also announces upward revision in allotments of two other wells. Argus Royalties No. 2 has been upped from 150 to 169 bbls. per day for December, while Home-Millarville No. 8 has been increased from 148 bbls. to 159 bbls. per day for December.

* * *

24 Wells Drilling

The number of Turner Valley drilling wells was boosted from 21 to 24 this week, with the spudding in of three more important prospect tests in the north extension area. Ace Royalties No. 2, in L.S.D. 10 22-22-4w5, and Major Oil Investments No. 10, in L.S.D. 16 15-22-4w5, were spudded in last Sunday. Major Oil Investments No. 5, in L.S.D. 14 35-21-4w5, was spudded in on Wednesday.

Two more important prospect tests have been staked on the Alberta plains east of Calgary. The Northwest Co., subsidiary of Imperial Oil, has staked its second drill-test in the Brooks-Tilley area, on extensive holdings acquired and surveyed during the past year. McColl-Frontenac Oil Co., Canadian subsidiary of the Texas Co., has staked its initial test in the Oyen-Cereal area, on extensive holdings acquired during the past year and thoroughly surveyed in recent months.

* * *

To Test Brooks Well

Northwest-Tilley No. 1 will be drilled in L.S.D. 1 7-17-12w4, about two miles south of Tilley and 14 miles southeast of the Northwest-Brooks No. 1 test, the initial venture in this area. The Brooks test is presently standing with casing cemented to the top of the Madison limestone, with testing slated to get under way immediately. The Tilley well will be drilled with the light portable rotary now at Brooks, as soon as operations have been completed at this test.

The McColl-Frontenac test will be drilled in L.S.D. 12 30-21-4w4, about 24 miles north of Oyen. Drilling contract has been let to the Dominion Drilling Co., which is now moving its light Diesel-powered rotary in from the Standard Oil test at Rainy Hills, where it was last used. The McColl-Frontenac test is expected to spud in the very near future.

The Princeville Pete No. 2 well, north extension test in the Vermilion field, has now been completed. The well commenced bailing test last week end and was making about one barrel hourly at last report. Pumping equipment now at the site was to be installed, and the well placed on regular production this week. The hole is bottomed at 1,797 ft., 8½ ft. below the top of the lower Cretaceous oil horizon.

Siscoe Options Buffonta Control

An option on a controlling share interest in Buffonta Mines has been granted to Siscoe Gold Mines, Jos. H. Acheson, Buffonta president states in a letter to shareholders. Negotiations for Siscoe to come into the picture were completed recently by Haras Corporation which has been providing finances for work.

Besides taking an option on control, Siscoe Gold Mines has been granted control of Buffonta finances and the mining direction of the property has been placed in the hands of Siscoe's consulting and engineering staff.

J. H. C. Waite, vice-president of Siscoe Gold Mines and president of Mining Corporation of Canada, has been elected to the Buffonta board of directors to represent the Siscoe interests. Haras Corporation is being represented on the board of directors by J. Bradley Streit, Toronto, vice-president and treasurer.

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TRANS-CANADA TELEPHONE SYSTEM

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Canada 'Finds "Crucial" Metal, Maganese

Gulf of St. Lawrence Scene of Rich Strike — New Brunswick Producing

By **GORDON M. GRANT**
Staff Writer, The Financial Post

Manganese—that essential of steel-making—may soon occupy an important place on the Canadian mineral production list.

With Soviet Russia and British India supplies in possible jeopardy and the United States producing only 3% of its own requirements, Canada's production of manganese may well assume the role of strengthening a weak link in this continent's chain of strategic metals.

Normally United States steel firms keep a three years' supply of manganese on hand. Manganese is so important that even in peacetime it is felt necessary to keep big reserve on hand. Every ton of steel takes 14 pounds of manganese.

With the big step-up in steel-making in the United States, supplies on hand are understood to be only around a year's needs—dangerously low during world-circling war. Production from submarginal deposits is being looked into by the United States Government, but there is as yet no assurance of adequate supplies.

Magdalen Deposit High Grade

Canada's new deposits are by no means submarginal in grade. Production is just starting on a good commercial grade of ore in Markhamville district, New Brunswick, and exploration is expected to start soon on a deposit on the Magdalen Islands, Gulf of St. Lawrence, a deposit which seems to have possibilities of developing a very large tonnage of what is considered to be very high-grade ore. The Magdalens are a small group of islands in the southern part of the gulf.

The first regular producer in the Markhamville district is Nabco Manganese whose concentrator started operation last week.

The find on Magdalen ground has been kept "under wraps" and the interests behind it aren't even letting out the company's name as yet. It can be stated, however, that some of the most prominent men in Toronto mining circles control it and that possibilities of major mining importance are seen for it. Finances are being provided privately. The people behind it want to know just how extensive the deposit is before releasing details.

Runs 52-53% Manganese

From what can be learned, tests have shown a grade of 52 to 53% manganese for the Magdalen deposit which is the very best grade ferro-manganese ore. Down in the United States, the government is working with ore grading as low as 13% manganese oxide. Test pits put down on the Magdalen deposit show a length of at least 800 ft. with widths of 20 to 25 ft. The deposit is known to be 50 ft. deep but diamond drilling will be necessary to determine dimensions of the ore at depth.

Geologically the Magdalen Islands are unusual. Intensive surveys by government geologists indicate the islands have never been glaciated. This is quite apparent in surface soils and formation through the centuries of manganese-bearing ores.

Volcanic rocks, when they extruded through the limestone and sand stratas above, raised hills higher than 4,000 feet. Over millions of years these hills have been eroded and volcanics carrying a small percentage of manganese have deposited manganese values in limestone against which they have formed the present known and indicated deposits of high grade ferro-manganese ore. Geologists do not believe the deposits will extend below a maximum of 250 ft. of depth at Magdalen. There are known deposits in the world, however, where ore extends to 800 feet.

May Be Other Deposits

The contact zone between the volcanics and limestone along which the present deposit lies has an indicated length of seven miles, all of which must be regarded as very favorable ground to find repetitions of the main known deposit or for extensions of the present deposit.

In initial work a shaft was put down on the manganese showing and some lateral work was done showing the deposit 25 ft. wide below the crown at the 50-ft. horizon. A length of 200 ft. was developed there. A second shaft was put down, on the indicated extension, at a point 800 ft. to the northwest and the same typical grade of ore was found. In this limited work 25,000 tons of positive ore have been outlined down to the 50-ft. level.

Next to the main high-grade ore deposit is a width of 50 ft. of lower grade ore which can be beneficiated.

Diamond drilling is planned for the property this winter to determine the extent of the deposit. This will allow further plans to be formulated.

Shipping Close at Hand

Altogether the property comprises some 2,000 acres. The deposit is very close to harbor facilities and shipment of ore or concentrates will present no problems. Besides the showing it is planned to develop, there are at least six other manganese disclosures which appear to warrant examination when time and money are available.

The deposit on the Magdalen Islands is off the beaten path and so far there has never been a diamond drill on the island. The deposit was located fairly recently quite by chance..

Shown by Old Report

Since then an old report by an engineer named Jennison has been located which described the deposit and recommended its development. The report had been made for a steel company which went bankrupt about the same time and Jennison's recommendations were never carried out.

> ***On the Magdalen Islands, Gulf of St. Lawrence, Canada may have one of the richest manganese deposits in existence. Only further development will tell just how extensive it is.***
>
> ***While development of that property will require time, one property in the Markhamville district of New Brunswick is already operating a manganese concentrator. Prospects for further production in the same general area appear bright.***
>
> ***With the United States searching for marginal deposits of manganese ore to fill its tremendous requirements, no difficulty is seen in finding a market for all the manganese ore Canada can possibly produce.***

With manganese ore of the grade of the Magdalen deposit worth about $40 a ton, profit possibilities of the new deposit are considered important. All depends, of course, on how the deposit stands up under development.

While the Magdalen ore still remains something for the future—production couldn't be started before next year—the Markhamville district in New Brunswick is already turning out manganese concentrates with Nabco Manganese the chief operation.

Changed Methods Used

Early operators in the area used pick and shovel methods, extracted high-grade ore but abandoned work when the most accessible ore was exhausted. The present operators have been carrying on mining methods of the type common in northern Ontario. Concentrating mills for manganese ore are not expensive like gold mining mills, however, and placing of the Nabco Manganese property in production did not involve a large capital outlay.

Tuning in of the 150-ton concentrating mill at Nabco Manganese started about a week ago and regular shipments of concentrates are expected to start by Jan. 1. First shipments will go to the Electro-Metallurgical Co. of Welland, Ont., a subsidiary of Union Carbide. It has been agreed to ship the first 100,000 pounds of production to this company.

25-35,000 Tons a Year

Nabco estimates annual production of concentrate will run from 25,000 to 35,000 tons, grading better than 48% manganese. The company has been offered $30 to $35 a ton for its output delivered at Moncton, N.B., G. F. Nablo, the company's president, states.

Tests carried out indicate a concentrating ratio of two to one and the company estimates operating costs will amount to $4.50 per ton. While capacity is 150 tons daily, it is planned to treat only around 100 tons daily for the first few months until the plant is gradually broken in.

Can Sell "Fines" Too

Tests carried out indicated that the company might expect to lose 20% of values in fines, but a company at Truro, Nova Scotia, has offered to purchase the entire output including fines.

Due to the importance of transportation costs, it is anticipated that the company's output will be marketed in the Maritimes. Freight to Welland, Ont., runs $7 a ton of concentrates, but to Moncton the charge is only 25 cents a ton.

Extensive Development

Development of the Nabco property has been carried out by an adit driven into the hillside, known as the 105-ft. level. Three sub-levels have also been established to allow the carrying out of mining.

The No. 1 vein is stated to have been opened up for a length of close to 1,000 ft. with both faces still in ore. The vein carries both high grade and disseminated ore and runs from 8 to 18 ft. in width with the core of high grade from 2 to 6 ft. wide in the centre. Grade is stated to vary from 24% to 51% with the 48% plus grade for concentrates expected after two for one concentration. It is found difficult to strike an average on values, but plans call for the use of high grade as a sweetener for lean sections.

Year's Ore On Hand

According to Mr. Nablo a year's ore—positive and broken—has been blocked out by work to date. It is planned to extend work to increase this supply to two years. This, if successful, is to be followed by a programme of exploratory diamond drilling. Diamond drilling is proposed from underground as there is a broken, shattered condition existing at surface which makes accurate estimates difficult.

Recently a new manganese project was started in New Brunswick known as Douglas Mountain Manganese Mines. This company has purchased three claims, and optioned ten others in the Douglas Mountain area and has also acquired five claims in the Markhamville field. The main Douglas Mountain property covers the original manganese strike in that part of the country, and some underground work was done by the previous operators. It is hoped that this property may be placed in production within a period of six months by making shipments to the Nabco mill.

Not long ago Sussex Manganese completed a 50-ton concentrating mill in the Markhamville district. The operation was hampered by lack of working capital and development was not advanced far ahead of the mill. It is understood that operations have now been resumed.

Need Only Small Capital

The small amount of money required to develop manganese deposits is reflected in the small capitalizations of the companies operating them. It is understood that the company holding the Magdalen deposit is capitalized at 500,000 shares. Nabco Manganese is capitalized at 100,000 shares of which approximately 85,000 shares have been issued. Sussex Manganese is capitalized at 35,000 shares. Douglas Mountain Manganese has an authorized capital of 250,000 shares.

Nabco Manganese borrowed approximately $20,000 to construct its mill but the company is stated to be now fully financed until returns are received from production. A total of $22,500 is payable in royalties at the rate of $1 a ton.

Mining Concentrates

Arntfield Gold Mines expects to encounter the downward extension of its new ore body in crosscutting at the 1,075-ft. very shortly. This ore body has been opened up on the three levels above, showing a length of 260 ft. at the 925-ft. level. Diamond drilling is stated to indicate a length of at least 340 ft. at the 1,075-ft. level. Development rock is being fed to the mill from the new ore body. About 150 tons of ore is being treated daily with mill heads of around $6 a ton despite dilution of development ore by waste.

* * *

Amm Gold Mines is completing assessment work on a group of claims in which 90% is still held in the Cadillac area. The main property was sold to Pandora Cadillac some time ago. Gold values are stated to have been secured on the remaining claims on several sections. Further work will await results on the adjoining Pandora claims. Payments have not been received on the $27,750 owing from Pandora as that company has needed its operating profits but regular interest payments have been made.

* * *

Bear Exploration and Radium carried on no work in the year ended June 30, 1941, but the company's investment in Giant Yellowknife Gold Mines is stated to be promising. This company purchased sufficient mill equipment and supplies to allow production to be started but equipment has not yet been installed. As at June 30, 1941, Bear lists current assets at $13,039, including $21 cash and $12,378 of supplies. Advances to subsidiaries were $58,195. Current liabilities were $3,642. Investments listed at $29,263, comprised shares in Giant Yellowknife Gold Mines, Yellorex and Yellowknife Gold Mines.

* * *

Bidgood Kirkland Gold Mines experienced a sharp decline in production in November due to the strike called by the Kirkland Lake Mine and Mill Workers' Union Output was $16,889 from 2,090 tons of ore an average of $8.08 per ton compared with $43,839 from 3,692 tons of ore, an average of $13.02 in October. Improvement has been shown in recent days with the mill back to 80 tons a day compared with the pre-strike rate of 110 to 115 tons daily. Some development is being carried on. The extension of the 506 vein at the 250-ft. level now shows over 300 ft. of ore with ore continuing beyond a fault which pushed the vein 14 ft. to the north. The same vein has been picked up at the 500-ft. level where it shows 60 ft. of ore grading $15 across 6 ft., it is stated.

* * *

Dome Mines showed an increase in production in November:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
Nov.	51,700	1,723	$12.51	$646,793
Oct.	54,100	1,745	11.55	624,677

* * *

Sigma Mines production was somewhat lower in November:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
Nov.	33,330	1,111	$7.69	$256,366
Oct.	34,122	1,101	7.68	262,152

* * *

Duquesne Mining Co. is stated to have opened up a length of 225 ft. on the 500-ft. level averaging 0.2 oz. or $7.70 per ton over drift width of 6 ft., it is stated. On the 375-ft. level above, 85 ft. of similar material is said to have been opened up. This material has been found west of the crosscut with no ore opened up in east drifts to date. However, work to the east is approaching a drill hole which gave $6.67 over 11 ft.

* * *

Laflamme Barraute Mines is now carrying on preliminary work on its property in the Barraute area, Que., adjoining the Swanson option of Hollinger Consolidated Gold Mines. A camp site has been located with temporary quarters erected. Work at Laflamme will be concentrated on picking up an extension of the gold-bearing Swanson structure that strikes in the general direction of the Laflamme property. Work is under the direction of Waino Lanti.

* * *

McLellan Gold Mines is completing two drill holes on its north claim next to the east boundary. These holes are being drilled in conjunction with Northern Empire Mines Co., the expenses being shared equally. The structure being drilled is favorable iron formation. Two holes drilled next to the west boundary with Magnet Consolidated are stated to have returned negligible results.

* * *

Mascot Malartic Mines announces plans to carry on a diamond drilling programme, financed by sale of treasury shares. The company holds a total of 390 acres, Fourniere twp., Malartic area, Que. A magnetic survey has already been carried out.

* * *

Premier Gold Mining Co. has declared a dividend of 2 cents a share payable Jan. 15, 1942, to shareholders of record Dec. 15. Ex-dividend date is Dec. 12.

* * *

Sheep Creek Gold Mines has declared its regular quarterly dividend of 4 cents a share plus an extra of 1 cent a share, both payable Jan. 15, 1942, to shareholders of record Dec. 31.

* * *

Sturgeon River Gold Mines output for December is estimated at $42,772 compared with $38,062 for the preceding month. Tonnage figures are not yet available.

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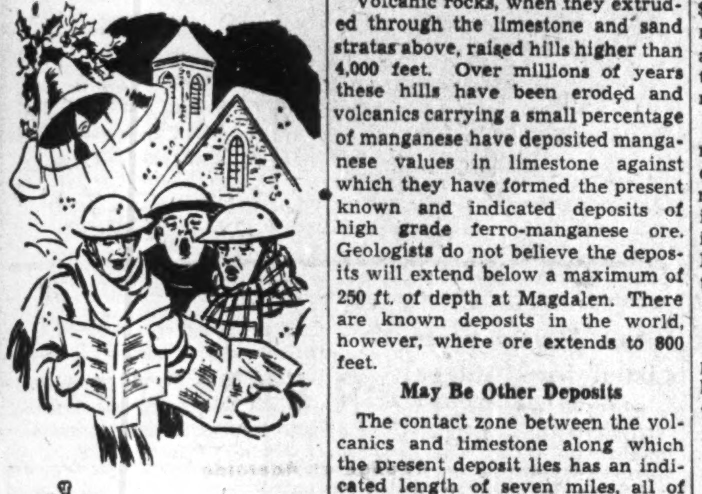

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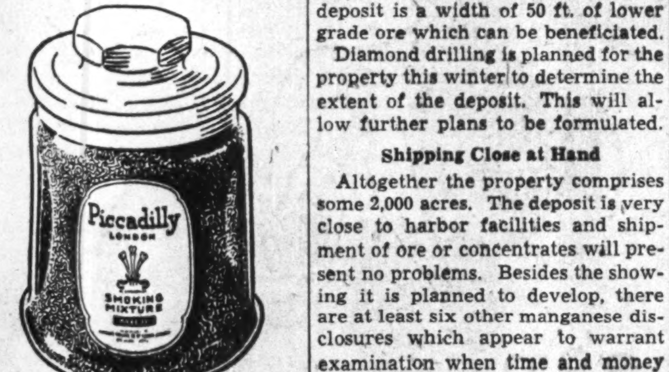

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Position of Chartered Banks of Canada as of October 31st, 1941, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	*Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other Banks in Canada	Due to Banks in U.K.
	$	$	$	$	$	$	$	$	$
Montreal	17,890,850	76,166,891	17,166,670	....	310,763,232	406,372,116	96,982,417	3,752,207	6,772,184
Nova Scotia	7,318,682	18,033,132	1,357,130	....	70,905,692	145,987,883	50,319,612	3,191,455	1,523,478
Toronto	2,979,724	11,234,386	1,788,283	....	53,819,736	83,253,073	291,641	296,854	599,741
Provinciale	2,292,195	1,560,771	176,913	....	11,450,896	38,738,795	14,305	....	3,449
Commerce	15,799,116	37,961,853	16,270,992	....	216,726,854	316,091,902	70,678,181	1,214,819	2,843,730
Royal	23,368,294	39,294,354	9,338,800	....	320,894,869	326,800,450	226,399,336	17,174	2,952,681
Dominion	4,189,539	9,436,815	1,742,108	....	46,707,337	74,780,425	10,484,847	2,258,369	551,990
Nationale	3,628,977	7,615,445	2,934,945	....	41,729,780	101,085,878	429,026	1,691,414	95,986
Imperial	4,199,210	15,442,138	13,673,971	....	57,272,616	92,630,231	910,476	1,363,795	1,428,399
Barclays (Canada)	577,180	3,550,513	6,042	....	5,161,570	5,859,328	3,220,507	90,723	2,863,873
Total	82,243,767	220,296,198	64,455,854	....	1,135,522,582	1,591,700,076	460,130,348	13,876,810	19,635,511

NAME OF BANK	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$
Montreal	10,412,268	....	18,772,428	4,594,440	752,201	39,000,000	36,000,000	1,045,397,810
Nova Scotia	1,217,909	....	19,905,781	133,901	16,684	24,000,000	12,000,000	356,201,344
Toronto	387,641	....	2,741,607	....	150,981	9,000,000	6,000,000	172,643,671
Provinciale	25,186	....	134,172	7,076	4,310	1,000,000	4,000,000	59,408,072
Commerce	6,436,917	....	25,966,261	....	623,187	20,000,000	30,000,000	760,613,815
Royal	8,087,694	....	37,609,254	607,180	753,102	20,000,000	35,000,000	1,051,323,192
Dominion	464,681	....	2,329,227	751,625	177,245	7,000,000	7,000,000	167,864,164
Nationale	631,776	....	399,046	44,380	146,023	5,000,000	7,000,000	172,432,683
Imperial	509,523	....	3,282,091	....	175,984	8,000,000	7,000,000	205,888,438
Barclays (Canada)	784,675	....	1,139,062	11,358	....	750,000	1,500,000	25,514,831
Total	28,948,220	....	112,278,929	6,149,960	2,799,717	133,750,000	145,500,000	4,017,288,030

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	413,153	84,952,741	18,327,005
Nova Scotia	15,000,000	12,000,000	12	2,647,595	26,198,000	7,334,819
Toronto	10,000,000	6,000,000	10	521,034	20,093,651	2,981,874
Provinciale	5,000,000	4,000,000	6	159,125	7,325,071	2,295,575
Commerce	50,000,000	30,000,000	8	996,007	65,652,129	16,150,388
Royal	50,000,000	35,000,000	8	1,306,061	66,798,790	23,490,288
Dominion	10,000,000	7,000,000	10	660,748	14,422,889	4,189,539
Nationale	10,000,000	7,000,000	8	160,408	14,826,238	3,664,062
Imperial	10,000,000	7,000,000	10	577,169	14,146,266	4,230,030
Barclays (Canada)	1,500,000	1,500,000	....	8,432	1,412,002	600,965
Total	211,500,000	145,500,000	....	7,458,734	315,827,717	83,464,535

▲Of this amount, $32,323,189 represents deposits in Canada in currencies other than Canadian. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal*	1,500,373	73,386	22,092,174	68,559,939	604,330	530,009	38,368,663	....	6,174,656	48,792,853
Nova Scotia	429,024	903,309	6,725,229	17,385,888	166,706	6,766,041	12,103,820	....	8,575,244	18,100,302
Toronto	326,385	....	4,025,874	11,021,767	91,815	102,661	8,741,014	....	299,899	2,794,493
Provinciale	289,367	....	2,140,617	4,431,306	70,020	45,303	2,948,350	1,920	....	568,966
Commerce†	984,147	172,527	13,906,579	52,674,201	269,258	1,708,251	21,244,081	12	6,838,968	21,408,598
Royal	1,582,684	1,846,810	23,589,604	43,151,890	597,393	24,196,393	44,846,964	2,874	13,882,976	55,888,524
Dominion	293,754	233	2,859,056	13,509,003	148,250	193,704	8,224,337	....	4,302,711	4,358,324
Nationale	684,193	....	5,190,337	7,743,539	144,345	63,318	9,966,280	1,536,544	5,956	1,449,255
Imperial	397,598	....	5,838,620	11,957,346	139,275	112,651	10,128,050	646,245	111,580	3,979,758
Barclay's (Can.)	3,721	....	83,692	1,356,472	6,910	2,707	415,177	808,090	1,745,747	2,976,237
Total	6,441,246	2,996,265	86,421,782	231,791,351	2,238,302	33,721,038	156,986,736	2,995,685	41,937,737	160,317,309

NAME OF BANK	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere
	$	$	$	$	$	$	$	$	$
Montreal*	241,151,685	195,056,842	18,015,097	19,999,037	24,701,239	4,472,437	15,569,284	253,468,729	21,271,754
Nova Scotia	48,051,249	56,572,628	10,433,796	2,073,830	9,734,272	3,454,575	1,311,611	110,290,809	12,252,610
Toronto	32,145,894	36,638,192	2,502,659	....	3,482,919	1,265,800	....	62,862,182	....
Provinciale	6,942,173	7,340,411	10,574,128	....	1,385,845	2,835,250	....	14,550,099	....
Commerce†	99,238,393	137,475,207	9,424,829	26,945,911	12,816,524	8,445,204	11,027,372	249,126,821	18,344,463
Royal	207,076,489	119,261,092	7,333,308	11,945,638	32,616,346	9,084,348	15,877,555	243,944,941	79,350,927
Dominion	19,211,552	19,060,248	1,605,646	888,732	1,881,989	1,307,034	1,867,728	78,817,398	700,191
Nationale	36,687,068	23,111,334	14,680,834	9,673	4,181,122	3,248,307	....	49,703,174	....
Imperial	28,819,396	41,329,136	6,532,773	....	47,287	2,989,701	....	79,609,294	....
Barclay's (Can.)	4,854,019	6,997,835	1,000	25,000	....	169,625	....	4,483,721	....
Total	724,178,018	642,842,925	81,113,066	63,887,821	90,847,543	37,432,281	45,653,550	1,146,857,168	131,919,945

NAME OF BANK	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$
Montreal*	1,290,637	27,673,908	958,488	474,138	473,061	13,900,000	1,015,763	1,390,558	1,046,551,479
Nova Scotia	203,338	3,745,885	407,535	....	84,252	5,790,038	424,519	2,514,826	358,407,234
Toronto	....	3,642,130	60,382	....	6,971	3,302,642	172,988	....	176,228,251
Provinciale	23,722	2,452,268	73,065	461,147	292,484	2,081,238	129,913	140,121	59,861,883
Commerce†	4,401,766	13,372,665	1,322,227	2,326,154	1,000,811	13,946,617	852,000	4,168,119	761,407,978
Royal	1,188,502	15,814,452	1,793,084	1,913,106	676,236	14,572,428	1,200,000	3,707,539	1,084,531,338
Dominion	944,830	305,945	146,165	26,171	38,432	5,386,031	219,170	202,898	168,729,675
Nationale	288,700	6,790,196	184,473	1,559,990	626,450	4,894,106	215,611	224,030	173,356,898
Imperial	350,564	4,029,265	215,347	33,682	216,343	5,584,317	232,034	....	206,587,280
Barclay's (Can.)	....	....	5,216	....	....	442,411	23,751	....	25,840,399
Total	8,392,059	77,826,714	5,165,942	6,794,388	3,415,088	69,900,828	4,485,721	12,348,091	4,061,392,410

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $112,278,929 letters of credit outstanding as shown in liabilities.

Building For a Better Canada

Says Build Homes For 30 Years — Then Tear Them Down

Dr. E. G. Faludi, eminent European housing authority, and author of the following article, is now resident in Toronto, where he has been making a study of Canadian materials and processes and their adaptation to Canadian housing needs. Passionately devoted to his subject, he stresses the need of a long-term programme for Canadian housing, blueprints of which, he argues, should be drawn up now, for war and postwar requirements.

Born in Hungary, Dr. Faludi received the degree of doctor of architecture in Rome. After working as a consulting architect in Europe and England, he was driven from Nazi-dominated Europe in 1939. He is now giving a series of lectures at the University of Toronto and is lecturing in Montreal and other Canadian cities.

These articles are published for their importance as a contribution to a vital subject, but the opinions expressed are not necessarily those of The Financial Post.

DR. E. G. FALUDI

War has shown us that it is possible to achieve a high degree of coordinated action in Canada's national life. Many things which are forced upon us as war emergencies may well prove to be fundamental steps toward a better world.

Many government organizations and individuals strive consciously or unconsciously to meet this postwar problem. All agree in the responsibility of the present generation for wisely planning the impending changes.

Canada sooner or later will have to cope with the problems of improving living conditions, effecting uniform minimum standards of living for the whole Dominion, assuring extensive social services.

We know already that, through planning, we can avoid some of the mistakes of the past and the wasteful exploitation of national resources.

Nobody is satisfied with the private home situation.

Too few people can afford to own the houses they consider efficient, economical or desirable. The increase of slums is more and more evident. We have thousands and thousands of homes, rapidly dragging large areas into blight and tax delinquency.

We are about 100,000 dwellings short in Canada, including replacement of bad homes.

Housing Alone Insufficient

Mere housing is not sufficient. Housing should serve to provide healthful homes and a humane manner of living for the city and rural people at all income levels and also serve as a nucleus for those interrelations of living, working, recreation and transportation that make it possible for the community to carry out the high destiny for which its position in the region and in the nation makes it eligible.

Experience in Great Britain and Continental Europe shows how essential for the maintenance of a good standard of housing is the cultivation of a local sense of responsibility and local interest, and how helpful may be the many local incentives which exist. This experience also shows the need for central authorities to bring home these responsibilities to local governments, to arouse them to perform the duties, which are entailed, to stimulate them to assume a fair share of the costs, to assist them with guidance and with financial aid, and to supervise and co-ordinate their efforts.

Social and economic changes of far-reaching significance are taking place. Great strides were being made in scientific discovery, but the sum total of human happiness is not progressing at the same rate.

Building science is advancing so rapidly that we have no right to build for centuries.

Build for 30 Years

A house should be regarded as permanent only for about 30 years and should be then replaced by an up-to-date one. All materials in a house should if possible be designed to live the same useful life just as in a modern car.

After the war Canada will have several large factories which will no longer be required for producing aircraft, munitions, and tanks; but there will still be the plant, skilled labor and organization.

Why not switch these factories over to production of houses, using the light, efficient, beautiful materials which led to such efficiency and economy in war industries.

Private enterprise and public housing bodies could be partners in the broad activity of providing adequate housing accommodation for the whole of the population.

TELEPHONE DIRECTOR

Arthur W. Page, vice-president of the American Telephone and Telegraph Co., who has been elected to the board of the Bell Telephone Co. of Canada, succeeding Walter S. Gifford, president of A. T. & T. Co.

St. Lawrence Shipyards Planning Busy Winter

From Our Own Correspondent

MONTREAL.—There will be no slackening in the building of new ships for the navy or merchant marine at the shipyards on the St. Lawrence River during the winter months, according to H. R. MacMillan, president of Wartime Merchant Shipping Ltd., the government agency in charge of carrying out the shipbuilding programme.

Maintenance of full operations applies to Canadian Vickers plant at Montreal, Marine Industries at Sorel and the Davie and Morton Shipyards at Quebec and Levis. The work during the winter months will be of two types, Mr. MacMillan pointed out, the building of new hulls and the fitting out of ships recently launched.

No Time to Waste

When the spring comes around again, new ships will be ready to slip down the ways, while others, launched this past fall, will be fitted and ready to take their places on the high seas.

At Canadian Vickers keels of two new ships have been made. Place is available in the Vickers yard for the simultaneous construction of three large vessels and two smaller ones. All this space will be utilized and Vickers workmen will be busy on five new ships throughout the winter months.

In the protected Vickers basin also work will go on during the winter on the fitting out of ships launched in recent weeks. Engines, boilers, pumps and an extensive quantity of auxiliary equipment have to go on each ship, while there is also a lot of work to be done in the interior to fit the ships for sea duty.

Traffic Climbs For T.C.A. Line

Airmail carried by Trans-Canada Air Lines in October was the greatest in volume in the company's history, it was reported by W. F. English, assistant vice-president.

The figure was 135,581 pounds, 5,000 pounds more than carried in September, and compares with 94,164 pounds for the same month last year.

More passengers used T. C. A. services also, there being 9,383 in October, compared with 9,165 in September.

Railway Earnings High in November

From Our Own Correspondent

MONTREAL. — Gross earnings of the Canadian Pacific and Canadian National Railways in November were 25% higher than the same months last year and at the best level of any November since 1928.

Combined gross earnings of the two lines totalled $47.5 millions, compared with $38.3 millions a year ago. Highest figure on record for the month was the $54.9 millions reported back in 1928.

Shawinigan's Grid System Outstanding When Finished

From Our Own Correspondent

MONTREAL. — Quebec Public Service Board has received application from Shawinigan Water & Power Co. for authorization to proceed with construction of new high tension lines between Three Rivers and Berthier and Sorel and Hemmings Falls, previously reported here.

Construction of the new lines, which are estimated to cost $1.6 millions, is made necessary by increased demand of war industries on the south shore of the St. Lawrence River.

Completion of the lines, together with the St. Lawrence River crossings at Three Rivers and Sorel, will give Shawinigan one of the most complete grids in existence anywhere in the world.

Investing in Wartime

H. J. Bird was the winner of second prize in The Post's "Investing in Wartime" contest of two years ago. At that time he was head of his own investment firm in Vancouver but is now on active service with the R.C.A.F. As an observer outside of the investment business for a period, Mr. Bird here gives a few ideas on investments under today's conditions.

No. 3 Wireless School,
R.C.A.F., Winnipeg.

Dear Sir:

I can now view the market and general business conditions with a greater degree of detachment than when I was a civilian in daily contact with the investment business.

I will attempt here some general observations regarding investment in general rather than to deal with specific securities (which I feel no longer qualified to do).

The oft-anticipated bugbear of inflation has not had the generally anticipated effect on the stock market of causing a rise in prices. In fact, the reverse has occurred. The reason may, of course, be higher taxation of corporation profits and price controls.

Higher income taxes have robbed the market of any appeal for the wealthy investor who might, under normal conditions, have provided a cushion for the market through purchase of dividend paying stocks for income when yields appeared attractive.

Now high yields mean nothing to the large investor. In fact, he may avoid income wherever possible.

Progress of the war to date has not provided any basis for a "Bull Market" in the accepted sense of the term. Perhaps when victory is in sight this may occur.

Bonds and preferred stocks have fared far better marketwise, than common stocks regardless of the quality of the latter. Twenty per cent of my list was in Government bonds of medium term and 30% in preferred stocks, all dividend payers. The income from my list of securities has just about offset the depreciation in market value over a period of two years:

Depreciation	$5,850	11.74%
Total income	4,972	9.98%
Net loss	$ 878	1.76%

This list, while far from perfect, has provided the businessman with a good hedge against inflation for two years and a chance for a substantial appreciation in market value of his capital had a bull market occurred. While, actually, a bear market has been under way for two years and he has suffered a loss of only 1.76%, of his capital which might be considered as an insurance premium for providing possible capital gains, should a bull market occur.

As this writer is now on active service, he will have to leave his original list in "cold storage" for the duration, with the hopes that this policy may not prove too expensive for our theoretical businessman investor.

Company Reports

Dominion Gas & Electric

Higher operating revenues for Dominion Gas and Electric Co. in the 12 months ended Sept. 30 were more than outweighed by an increase in operating expenses. Net earnings for the period were $228,210 against $259,906 for the same period a year ago, this being an interim period, as the company's fiscal year ends Dec. 31. Charges of subsidiary companies increased substantially to $992,730 from $851,605.

Dominion Gas is a holding company, subsidiaries of which service Alberta and Saskatchewan communities with utilities.

Consolidated Income Account
12 Months Ended Sept. 30

	1941	1940
	$	$
Operating revenue	4,681,247	4,481,076
Less: Oper. expenses	2,650,996	2,527,909
	2,030,251	1,953,168
Add: Other income	55,603	18,634
Net earnings	2,085,854	1,971,802
Less: Depr. & amort.	422,037	405,068
Prior chgs. subsids.	992,730	851,605
Taxes & other exps.	74,700	82,439
Bond interest	256,522	256,522
Other interest	17,820	17,856
Disct. on Can. curr.	93,833	98,405
Net profit	228,210	259,906

Loew's London

Net profits of Loew's London Theatres Ltd. for the 52-week period end Aug. 29, 1941, showed a gain of slightly under $7,000 after allowing for higher taxes and all other charges. Net revenues from the London, Ont., theatre advanced over $9,400 over the previous year.

Net earnings per share on the preferred stock remained below dividend requirements of 70 cents annually, ending the year at 42 cents, compared with last year's 23 cents. Working capital advanced nearly $25,000 in the period.

Income and Surplus Account
Years Ended Aug. 29

	1941	1940
	$	$
Revenue	167,285	159,187
Less: Theatre exp	25,335	24,795
Salaries & wages	26,777	26,927
Films	55,482	57,260
Net revenue	59,691	50,205
Add: Invest. income	1,194	284
Int. & exch.	267	332
Less: Taxes & ins.	12,421	12,339
Gen. expenses	3,507	3,772
Directors' fees	500	500
Repairs, renewals	427	1,017
Net earnings	44,297	33,193
Less: Depr'n. bldgs.	11,309	11,309
Depr'n. scenery, etc.	5,055	4,647
Alterations	3,015	3,015
Movietone w/o	1,306	1,306
Income taxes	9,372	5,209
Net profit	14,240	7,707
Less: Pfd. divds.	8,435	11,809
Surplus for year	5,805	*4,102
Add: Prev. surplus	9,339	13,224
Profit sale of assets	......	217
Surplus forward	15,144	9,339
*Deficit.		
Earnings per Share:		
Preferred: Earned	$0.42	$0.23
Paid	0.25	0.35
Working Capital		
	$	$
Current assets	86,814	53,111
Current liabilities	15,410	6,520
Working capital	71,404	46,591

Marcus Loew's

Improved operating earnings of Marcus Loew's Theatres Ltd. for the period ending Aug. 27, 1941, were cancelled by rises in taxes and non-operating charges which brought net profit fractionally lower on the year.

Earnings per preferred share remained more than double the 7% dividend requirements, enabling the company to pay 14%. Dividend arrears have been reduced steadily since 1934, the last year in which the full 7% payment was not met. Following the payment made on Sept. 30, the preferred stock arrears were cut to $1.75 per share.

Working capital rose over $57,000 on the year.

Income and Surplus Account
Periods Ended

	Aug. 27 1941	Aug. 28 1940
	$	$
Oper. earnings	227,993	208,638
Less: Depreciation	46,786	46,786
Org. exp. w/o	6,000	6,000
Exec. salaries	9,600	9,000
Secretarial fees	2,166	1,500
Income taxes	69,206	50,844
Net profit	94,235	94,508
Less: Pfd. divds.	91,546	91,546
Surplus for year	2,689	2,962
Add: Prev. surplus	751,696	748,734
Surplus forward	754,385	751,696
Earned per Share:		
Preferred: Earned	$14.41	$14.45
Paid	14.00	14.00
Common: Earned	6.46	6.50
None paid.		
Working Capital		
	$	$
Current assets	536,226	456,932
Current liabilities	80,644	58,364
Working capital	455,582	398,568

Webster-Smallwood New Firm Name

Webster-Smallwood, Ltd., is the new company name of Webster-Inglis, Ltd. The company is now jointly held by Webster Manufacturing of Tiffin, Ohio, and R. L. Smallwood, Toronto, the latter being president of the organization and having recently acquired the interest formerly held by John Inglis Co.

Webster-Smallwood is a Toronto organization engaged in designing and installation equipment for the mechanical handling of materials, malleable iron and steel conveyor chains.

Coulter Elected Member Montreal Exchange

From Our Own Correspondent

MONTREAL.—C. I. Coulter, of Toronto, has been elected a member of the Montreal Stock Exchange. Mr. Coulter is associated with the firm of L. J. West & Co., members of the Toronto Stock Exchange.

BENSON & HEDGES *suggests* . . .

make HIM happy with these fine cigars

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INVINCIBLE • CORONA • BELMONT • NUMBER 7 • ADMIRATION

"Yes, Madam, 'B&H' is all
The buying guide you need.
It means cigars to every taste,
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"Now this is what I call a gift—
A gift of downright pleasure,
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Season's Greetings
INVINCIBLES

PER BOX
Invincible from $1.50
Corona - from $1.50
Belmont from $1.00
Number 7 - from 50c
Admiration from 50c

Inter. Paper Stock Listed in Montreal

From Our Own Correspondent

MONTREAL. — Capital stock of International Paper Co. has been approved for listing on the Montreal Stock Exchange and called for trading.

The listing covers 929,793 shares of cumulative convertible 5% preferred stock of $100 par value; 1,827,789 shares of common stock at $15 par value; common stock warrants to purchase 1,347,748 shares of common stock at $15 par value; with authority to add 3,712,231 shares of common stock.

LARGEST CIRCULATION IN CANADA *plus* HIGH READERSHIP

You mean it's a Trade Paper too

Sometimes we're a little embarrassed by our own riches. First we say The Star Weekly, with 500,000 circulation and high readership, offers a national campaign in itself . . . then we say that it offers a trade paper campaign too!

You see, our survey disclosed high readership in the "retail sales" classification . . . among retail clerks and their families.

Now these people are going to *see* your advertisement in The Star Weekly, and be *more* impressed at seeing it themselves than they would be if you merely *told* them you were advertising in certain media.

Of course it's simply an "extra" you get. Our chief job is to give you some half a million interested people to talk to; and we're doing that, and more, every week.

"Retail" Readers

People who work in stores, who handle your product and have it in their power to push it, are valuable readers. In the "Occupational Breakdown" of the Survey we noticed that men and women under the head of "Retail Sales" read as follows:

Section	%
Rotogravure	97.2
Magazine No. 1	91.1
Magazine No. 2	89.8
Comics	90.6

Talk about "telling the trade!"

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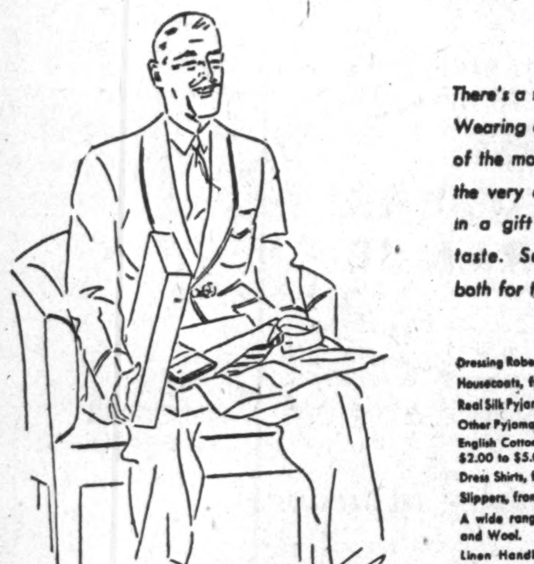
EATON'S - COLLEGE STREET

Distinctly Masculine

Gifts from The Men's Shop



There's a manly flavour about gifts from the Men's Shop. Wearing apparel designed expressly to meet the needs of the modern man . . . embodying sound quality and the very essence of good style! The Men's Shop label in a gift is a tribute to his discrimination and good taste. Selections are complete for Christmas . . . both for the civilian and the military man.

Dressing Robes, from $7.95 to $45.00.
Housecoats, from $12.50 to $23.50.
Real Silk Pyjamas, $10.00 and $15.00.
Other Pyjamas, from $2.50 to $14.50.
English Cotton Broadcloth Shirts, from $2.00 to $5.00.
Dress Shirts, from $3.50 to $4.00.
Slippers, from $1.98 to $5.95.
A wide range of Gloves in Leather and Wool.
Linen Handkerchiefs, from 35c to $1.50.
Silk Handkerchiefs, from $1.50 to $2.50.
All-Wool Socks, from 69c to $2.50
Custom-Made Shirts from $6.00 to $7.50. (Separate collars, 50c each extra).
Custom-Made Pyjamas, from $13.50.
Real Silk and All-Wool Scarfs, from $2.50 to $12.00.
Foulard, Macclesfield, Poplin and Knitted Silk Ties, from $1.00 to $3.50.
All-Wool Pullovers and Cardigans, from $2.95 to $14.50.
Grenfell Cloth Windbreakers, $10.95.
Complete Assortments of Military Accessories.

THE MEN'S SHOP AT EATON'S-COLLEGE STREET